EMPIRE INDUSTRIES LIMITED

Empire Industries Limited

SEC:SHR:2020-2021(0814) August 14, 2020

BSE Limited
Phiroze Jeejeebhoy Tower,
Dalal Street,
Mumbai - 400 023.

Company Scrip Code: 509525

Dear Sir,

Pursuant to Regulation 33 of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, we enclose Form A and Audited Financial Results for the year ended March 31, 2020 together with Auditor's Report, which have been approved by the Board of Directors at its Meeting held on June 29, 2020.

Thanking you,

Yours faithfully,
For EMPIRE INDUSTRIES LIMITED

S. C. NANDA
Director-Finance & Company Secretary

Encl:

CIN: L17120MH1900PLC000176
Regd. Office: Empire Complex, 414, Senapati Bapat Marg,
Lower Parel, Mumbai 400 013, India.
Tel.: 66555453 • Fax : 24939143
E-mail: email@empiresecretarial.com • Web : www.empiremumbai.com

Divisions

Empire Machine Tools MFTM • Empire Machine Tools MCAT • Vitrum Glass
Empire Industrial Equipment • Empire Vending (GRABBIT) • Empire Foods
The Empire Business Centre • Empire Industrial Centrum

FORM A (for audit report with unmodified opinion)

1.	Name of the Company	: EMPIRE INDUSTRIES LIMITED
2.	Annual financial statements for the year ended	: 31^{st} March, 2020.
3.	Type of Audit Report	: Un-modified
4.	Frequency of observation	: Not Applicable

EMPIRE INDUSTRIES LTD. MUMBAI 400 013.

5. CEO / MANAGING DIRECTOR: SATISH CHANDRA MALHOTRA (DIN: 00026704)

CFO: SUHAS CHANDRA NANDA

AUDITOR: SUSHIL JAIN, Membership No.033809

A. T. JAIN & CO. MUMBAI-20. CHARTERED ACCOUNTANTS

AUDIT COMMITTEE CHAIRMAN: RAJBIR SINGH (DIN: 00826402)

INDEPENDENT AUDITOR'S REPORT

TO THE MEMBERS OF EMPIRE INDUSTRIES LIMITED

REPORT ON THE AUDIT OF THE FINANCIAL STATEMENTS

Opinion

We have audited the accompanying financial statements of **Empire Industries Limited ("the Company")**, which comprise the Balance Sheet as at 31st March, 2020, the Statement of Profit and Loss (including other comprehensive income), the Statement of Changes in Equity and the Statement of Cash Flows for the year then ended, including a summary of significant accounting policies and other explanatory information (hereinafter referred to as "the financial statements").

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid financial statements give the information required by the Companies Act, 2013 ("the act") in the manner so required and give a true and fair view in conformity with the Indian Accounting Standards ("Ind AS") prescribed under Section 133 of the act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended, and other accounting principles generally accepted in India, of the state of affairs of the Company as at 31st March 2020, and its profit and total comprehensive income, changes in equity and its cash flows for the year ended on that date.

Basis for Opinion

We conducted our audit of the financial statements in accordance with the Standards on Auditing (SAs) specified under section 143(10) of the Act. Our responsibilities under those Standards are further described in the *Auditor's Responsibilities for the Audit of the Financial Statements* section of our report. We are independent of the Company in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India (ICAI) together with the ethical requirements that are relevant to our audit of the financial statements under the provisions of the Act and the Rules thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the ICAI's Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the financial statements.

Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the financial statements for the year ended 31st March 2020. These matters were addressed in the context of our audit of financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. We have determined the matter described below to be the key audit matter to be communicated in our report:

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1) Adoption of Ind AS 116 Leases

As described in Notes to the financial statements, the Company has adopted Ind AS 116 Leases (Ind AS 116) in the current year. The application and transition to this accounting standard is complex and is an area of focus in our audit since the Company has a large number of leases with different contractual terms.

Ind AS 116 introduces a new lease accounting model, wherein lessees are required to recognise a right-of-use (ROU) asset and a lease liability arising from a lease on the balance sheet. The lease liabilities are initially measured by discounting future lease payments during the lease term as per the contract/ arrangement. Adoption of the standard involves significant judgements and estimates including, determination of the discount rates and the lease term.

Additionally, the standard mandates detailed disclosures in respect of transition.

Principal Audit Procedures

Our audit procedures on adoption of Ind AS 116 include:

- Assessed and tested new process and controls in respect of the lease accounting standard (Ind AS 116);
- Assessed the Company's evaluation on the identification of leases based on the contractual agreements and our knowledge of the business;
- Upon transition as at 1 April 2019:
  - Evaluated the method of transition and related adjustments;
  - Tested completeness of the lease data by reconciling the Company's operating lease commitments to data used in computing ROU asset and the lease liabilities.
- On statistical sample, we performed the following procedures:
  - assessed the key terms and conditions of each lease with the underlying lease contracts; and
  - evaluated computation of lease liabilities and challenged the key estimates such as, discount rates and the lease term.
- Assessed and tested the presentation and disclosures relating to Ind AS 116 including, disclosures relating to transition.

Information Other than the Financial Statements and Auditor's Report Thereon

The Company's Board of Directors is responsible for the other information. The other information comprises the information included in the Management Discussion and Analysis, Board's Report including Annexures to Board's Report, and Shareholder's Information, but does not include the financial statements and our auditor's report thereon.

Our opinion on the financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information identified above when it becomes available and, in doing so, consider whether the

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other information is materially inconsistent with the financial statements or our knowledge obtained during the course of our audit, or otherwise appears to be materially misstated.

If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Management's Responsibility for the Financial Statements

The Company's Board of Directors is responsible for the matters stated in Section 134(5) of the Act with respect to the preparation and presentation of these financial statements that give a true and fair view of the financial position, financial performance, total comprehensive income, cash flows and changes in equity of the Company in accordance with the Ind AS and other accounting principles generally accepted in India. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

The Board of Directors are responsible for overseeing the Company's financial reporting process.

Auditors' Responsibility for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with SAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with SAs, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

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- Obtain an understanding of internal financial controls relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the Company has adequate internal financial controls system in place and the operating effectiveness of such controls.

- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.

- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.

- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

Report On Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2016 (the Order) issued by the Central Government of India in terms of sub-section (11) of Section 143 of the Act, we give in the Annexure A, a statement on the matters specified in paragraphs 3 and 4 of the Order.

2. As required by Section 143(3) of the Act, we report that:

a. We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purpose of our audit;

b. In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books.

c. The Balance Sheet, the Statement of Profit and Loss (including other comprehensive income), the statement of changes in equity and the Cash Flow Statement dealt with by this Report are in agreement with the books of account.

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d. In our opinion, the aforesaid financial statements comply with the Ind AS specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014.

e. On the basis of the written representations received from the directors as on March 31, 2020, taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2020, from being appointed as a director in terms of Section 164(2) of the Act.

f. With respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate Report in "Annexure B". Our report expresses an unmodified opinion on the adequacy and operating effectiveness of the Company's internal financial controls over financial reporting.

g. With respect to the other matters to be included in the Auditor's Report in accordance with the requirements of section 197(16) of the Act, as amended:

In our opinion and to the best of our information and according to the explanations given to us, the remuneration paid by the Company to its directors during the year is in accordance with the provisions of section 197 of the Act.

h. With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, as amended in our opinion and to the best of our information and according to the explanations given to us:

(i) The Company has disclosed the impact of pending litigations on its financial position in its financial statements.

(ii) The Company does not have any long-term contracts including derivative contracts for which there were any material foreseeable losses.

(iii) There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Company.

For A.T. Jain & Co.
Chartered Accountants
(Firm Registration No. 103886W)

A.T. JAIN & CO. MUMBAI-20. CHARTERED ACCOUNTANTS

Sushil Jain
Partner
Membership No.: 033809
UDIN: 20033809AAAADA2098
Place: Mumbai
Date: June 29, 2020

Annexure A to the Independent Auditor's Report of even date on the Financial Statements of EMPIRE INDUSTRIES LIMITED

We report that

1. a) The Company has maintained proper records showing full particulars, including quantitative details and situation of fixed assets.

   b) As per the information and explanations given to us, Fixed Assets were physically verified during the year by the management as per its programme. The frequency of verification is reasonable and no material discrepancies have been noticed on such verification.

   c) According to the information and explanation given to us and on the basis of our examination of the records of the Company, the title deeds of immovable property are held in the name of the company.

2. As explained to us, inventories have been physically verified during the year by the management at reasonable intervals. Stock of Finished Goods, Raw Materials, stores and spare parts are reported to be physically verified in accordance with the procedure followed by the management. No material discrepancy was noticed on physical verification of stocks by the management as compared to book records.

3. The company has not granted loan to party covered in the register maintained under Section 189 of the Act.

4. In our opinion and according to the information and explanation given to us, the Company has complied with the provisions of Section 185 and 186 of the Act, with respect to the loans given and investment made.

5. The Company has accepted deposits from the public. The directives issued by Reserve Bank Of India and the provisions of section 73 to 76 or any other relevant provisions of the Companies Act and the Rules framed there under, where applicable, have been complied with.

6. We have broadly reviewed the cost records maintained by the Company pursuant to the Companies (Cost Records and Audit) Rules 2014, as amended prescribed by Central Government under sub – section (1) of Section 148 of the Companies Act 2013, and we are of the opinion that, prima facie, the prescribed cost records have been made and maintained. We have not however made a detailed examination of the records with a view to determine whether they are accurate or complete.

7. a) According to the information and explanations given to us and on the basis of our examination of the records of the Company, amounts deducted/ accrued in the books of account in respect of undisputed statutory dues including provident fund, income tax, duty of excise, goods and service tax, duty of customs, value added tax, sales tax, cess and other statutory dues have been regularly deposited during the year by the Company with the appropriate authorities.

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According to the information and explanations given to us, no undisputed amounts payable in respect of provident fund, income tax, sales tax, goods and service tax, duty of customs, value added tax, sales tax, cess and other statutory dues were in arrears as at 31st March 2020 for a period of more than six months from the date they became payable.

b) According to the information and explanations given to us and on the basis of our examination of books of accounts and records, the details of the aforesaid statutory dues as at 31st March 2020 which have not been deposited with the appropriate authorities on account of any dispute are given below:

Name of Statute	Nature of Dues	Amount (Rs. in lakhs)	Period to which it Relates	Forum where dispute is Pending
Income Tax Act, 1961	Income Tax Demand	53.18	A.Y. 2010-11	Income Tax Appellate Tribunal - Mumbai
Income Tax Act, 1961	Income Tax Demand	83.43	A.Y. 2011-12	Income Tax Appellate Tribunal – Mumbai
Income Tax Act, 1961	Income Tax Demand	106.52	A.Y. 2012-13	Commissioner of Income Tax (Appeal)
MVAT Act, 2002	VAT / CST dues	58.81*	F.Y. 2009-10	Jt. Commissioner of Sales Tax (A)
MVAT Act, 2002	VAT / CST dues	13.10	F.Y. 2014-15	Jt. Commissioner of Sales Tax (A)

[* Total demand of Rs. 83.51 Lakhs less amount deposited in dispute of Rs. 25.00 Lakhs]

8. According to the information and explanation given to us and based on the documents and records examined by us, the company has not defaulted in repayment of loans due to banks and financial institutions.

9. In our opinion and on the basis of information and explanations given to us, the company has not raised money by way of public offer.

   The term loans raised by the company were applied for the purposes for which they were raised.

10. According to the information and explanations given to us, no fraud on or by the company was noticed or reported during the course of our audit.

11. According to the information and explanations given to us and based on the examination of the records of the Company, the Company has paid/provided for managerial remuneration in accordance with the requisite approvals mandated by the provisions of section 197 read with Schedule V to the Act.

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12. In our opinion and according to the explanations given to us, the Company is not a Nidhi company. Accordingly, paragraph 3(xii) of the order is not applicable.

13. According to the information and explanations given to us and based on our examination of the records of the Company, transactions with the related parties are in compliance with Section 177 and 188 of the Act where applicable and details of such transactions have been disclosed in the financial statements as required by the applicable Indian accounting standards.

14. According to the information and explanation given to us and based on our examination of the records of the company, the company has not made any preferential allotment or private placement of shares or fully or partly paid convertible debentures during the year and hence reporting under paragraph 3(xiv) of the order is not applicable.

15. According to the information and explanations given to us and based on our examination of the records of the company, the company has not entered into non-cash transactions with directors or persons connected with him. Accordingly, paragraph 3(xv) of the order is not applicable.

16. The Company is not required to be registered under section 45-IA of the Reserve Bank of India Act, 1934.

For A.T. Jain & Co.
Chartered Accountants
Firm Registration Nos. 103886W

A.T. JAIN & CO. MUMBAI-20. CHARTERED ACCOUNTANTS

Sushil Jain
Partner
Membership No. 033809
UDIN: 20033809AAAADA2098
Place: Mumbai
Date: June 29, 2020

Annexure B to the Independent Auditor's Report of even date on the Financial Statements of EMPIRE INDUSTRIES LIMITED

Report on the Internal Financial Controls over Financial Reporting under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 ("the Act")

We have audited the internal financial controls over financial reporting of Empire Industries Limited ("the Company") as of March 31, 2020 in conjunction with our audit of the financial statements of the Company for the year ended on that date.

Management's Responsibility for Internal Financial Controls

The Company's management is responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls over Financial Reporting issued by the Institute of Chartered Accountants of India. These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Companies Act, 2013.

Auditors' Responsibility

Our responsibility is to express an opinion on the Company's internal financial controls over financial reporting based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting (the "Guidance Note") and the Standards on Auditing, issued by ICAI and deemed to be prescribed under section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls, both applicable to an audit of Internal Financial Controls and, both issued by the Institute of Chartered Accountants of India. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting was established and maintained and if such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system over financial reporting and their operating effectiveness. Our audit of internal financial controls over financial reporting included obtaining an understanding of internal financial controls over financial reporting, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.

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We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the Company's internal financial controls system over financial reporting.

Meaning of Internal Financial Controls over Financial Reporting

A company's internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial control over financial reporting includes those policies and procedures that

(1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company;

(2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorisations of management and directors of the company; and

(3) provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

Inherent Limitations of Internal Financial Controls over Financial Reporting

Because of the inherent limitations of internal financial controls over financial reporting, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may occur and not be detected. Also, projections of any evaluation of the internal financial controls over financial reporting to future periods are subject to the risk that the internal financial control over financial reporting may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

Opinion

In our opinion, to the best of our information and according to the explanations given to us, the Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating

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effectively as at March 31, 2020, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

For A.T. Jain & Co.
Chartered Accountants
(Firm's Registration No.103886W)

Sushil Jain
Partner
Membership no. 033809
UDIN: 20033809AAAADA2098
Place: Mumbai
Date: June 29, 2020

A. T. JAIN & CO. MUMBAI-20. CHARTERED ACCOUNTANTS

EMPIRE INDUSTRIES LIMITED
Balance Sheet as at 31st March-2020

₹ in lakhs

	Notes	As at 31-Mar-2020	As at 31-Mar-2019
ASSETS			
1) Non-current Assets			
a) Property, plant and equipment	3 A	**29,025.87**	21,223.95
b) Capital Work-in-Progress	3 B	**7,162.86**	10,311.49
c) Right-of-use Assets		**2,609.25**	-
d) Intangible Assets	4	**24.59**	32.39
e) Financial assets			
i) Investments	5	**0.01**	0.01
ii) Trade Receivables	6	**651.08**	372.51
iii) Loans	7	**255.11**	219.33
f) Other Non-Current Assets	8	**1,788.19**	1,482.77
		41,516.96	33,642.45
2) Current Assets			
(a) Inventories	9	**18,258.24**	14,378.54
(b) Financial assets			
i) Trade receivables	10	**10,946.99**	11,590.22
ii) Cash and cash equivalents	11	**2,613.91**	3,694.42
iii) Other bank balances	12	**570.88**	488.95
iv) Loans and Advances	13	**139.25**	118.45
(c) Current Tax Assets (net)		**1,670.41**	1,079.99
(d) Other Current Assets	14	**2,655.66**	2,701.06
		36,855.34	34,051.63
Total		**78,372.30**	67,694.08
EQUITY AND LIABILITIES			
Equity			
a) Equity Share Capital	15	**600.00**	600.00
b) Other Equity		**22,771.14**	23,138.03
		23,371.14	23,738.03
1) Non Current Liabilities			
(a) Financial Liabilities			
(i) Borrowings	16	**16,211.03**	12,028.05
(ii) Lease liability		**2,727.86**	-
(iii) Trade Payables - Total outstanding dues of micro enterprises & small enterprises		**-**	-
(iv) Trade Payables - Total outstanding dues of creditors other than micro enterprises & small enterprises		**57.79**	48.22
(v) Other Financial Liabilities	17	**6,291.30**	5,817.89
(b) Provisions	18	**2,708.67**	1,792.86
(c) Deferred Tax Liabilities (Net)		**1,377.29**	1,248.25
(d) Other Non-Current Liabilities	19	**2,241.30**	2,534.78
		31,615.24	23,470.05
(a) Financial Liabilities			
(i) Borrowings	20	**11,946.46**	9,696.85
(ii) Lease liability		**186.96**	-
(iii) Trade Payables - Total outstanding dues of micro enterprises & small enterprises		**-**	-
(iv) Trade Payables - Total outstanding dues of creditors other than micro enterprises & small enterprises	21	**3,248.75**	2,971.18
(v) Other Financial Liabilities	22	**2,339.97**	2,845.94
(b) Other Current Liabilities	23	**3,082.95**	1,862.71
(c) Provisions	24	**2,580.83**	3,109.33
		23,385.92	20,486.01
Total		**78,372.30**	67,694.08
Summary of significant accounting policies	2		

The accompanying notes are an integral part of the financial statements.

As per our report of even date

For A. T. JAIN & CO.
Firm Registration No : 103886W
Chartered Accountants

A. T. JAIN & CO. MUMBAI-20. CHARTERED ACCOUNTANTS

Sushil Jain
Partner
Membership No: 033809

Place: Mumbai
Date : 29 JUN 2020

For and on behalf of the Board of Directors of
EMPIRE INDUSTRIES LIMITED

S. C. MALHOTRA (DIN:00026704)

RANJIT MALHOTRA (DIN: 00026933)

DILEEP MALHOTRA (DIN 00027168)

UMA R. MALHOTRA (DIN: 06848613)

RAJBIR SINGH (DIN:00826402)

C.P.SHAH (DIN: 00450394)

SUBODH CHANDRA (DIN: 02076844)

GEETANJALI NAIDU (DIN: 08713727)

S. C. NANDA

EMPIRE INDUSTRIES LTD. MUMBAI 400 013.

EMPIRE INDUSTRIES LIMITED

Statement of Profit and Loss for the year ended 31st March-2020

₹ in lakhs

		Notes	For the year ended 31st March, 2020	For the year ended 31st March, 2019
	INCOME			
I	Revenue from operations	**25**	**57,475.87**	52,621.73
II	Other income	**26**	**1,855.42**	3,260.62
III	**Total Revenue (I + II)**		**59,331.29**	55,882.35
IV	**EXPENSES:**			
	Cost of Materials Consumed	**27**	**18,201.13**	13,962.12
	Cost of Projects		**1,316.40**	2,112.06
	Purchases of Stock-in-trade		**12,918.14**	11,042.14
	Changes in inventories of Finished Goods and Stock-in-trade	**28**	**(3,913.78)**	(2,122.34)
	Employee benefit expense	**29**	**10,454.09**	9,171.81
	Finance cost	**30**	**3,158.46**	1,967.83
	Depreciation and amortisation expense	**3 & 4**	**1,498.44**	1,067.43
	Other expense	**31**	**11,046.58**	12,573.11
	Total Expenses (IV)		**54,679.46**	49,774.16
V	Profit / (Loss) before exceptional and tax (III - IV)		**4,651.83**	6,108.19
VI	Exceptional items		**628.44**	-
VII	Profit / (Loss) before tax (V-VI)		**4,023.39**	6,108.19
VIII	**Tax Expenses**			
	- Current tax		**476.72**	1,250.00
	- Deferred tax	**32**	**129.04**	474.69
			605.76	1,724.69
IX	Profit/ (loss) for the period from continuing operations (VII-VIII)		**3,417.63**	4,383.50
X	Profit/ (loss) from discontinued operations		**-**	-
XI	Tax expense of discontinued operations		**-**	-
XII	Profit/ (loss) from discounting operations (after tax) (X-XI)		**-**	-
XIII	**Profit/ (loss) for the period (IX+XII)**		**3,417.63**	4,383.50
XIV	**Other comprehensive income**			
	A (i) Items that will not be reclassified to profit or loss			
	remeasurement of the net defined benefit liability/ asset		**(10.67)**	(49.64)
	(ii) Income tax relating to items that will not be reclassified to profit or loss		**-**	-
			(10.67)	(49.64)
XV	Total comprehensive income for the period (XIII+XIV)		**3,406.96**	4,333.86
XVI	**Earnings per equity share (for continuing operations)**	**33**		
	a) Basic		**56.96**	73.05
	b) Diluted		**56.96**	73.05
XVII	**Earnings per equity share (for discontinued operations)**			
	a) Basic		**-**	-
	b) Diluted		**-**	-
XVIII	**Earnings per equity share (for discontinued & continuing operations)**			
	a) Basic		**56.96**	73.05
	b) Diluted		**56.96**	73.05

As per our report of even date

For A. T. JAIN & CO.
Firm Registration No : 103886W
Chartered Accountants

Sushil Jain
Partner
Membership No: 033809

Place: Mumbai
Date :

29 JUN 2020

For and on behalf of the Board of Directors of
EMPIRE INDUSTRIES LIMITED

S. C. MALHOTRA (DIN:00026704)

RANJIT MALHOTRA (DIN: 00026933)

DILEEP MALHOTRA (DIN:00027168)

UMA R. MALHOTRA (DIN: 06848613)

RAJBIR SINGH (DIN:00826402)

C.P.SHAH (DIN: 00450394)

SUBODH CHANDRA (DIN: 02076844)

GEETANJALI NAIDU (DIN: 08713727)

S. C. NANDA

Statement of Cash Flow for the year ended 31st March, 2020

₹ in lakhs

Particulars	Ref. Note No.	For the year ended 31st March, 2020	For the year ended 31st March, 2019
CASH FLOW FROM OPERATIVE ACTIVITIES			
Profit/(Loss) before tax		**4023.39**	6108.19
Non-cash adjustments to reconcile profit/(loss) before tax to net cash flows			
Depreciation / Amortisation		**1498.44**	1067.41
Loss/(profit) on sale/discard of Property Plant and Equipment		**(561.24)**	(1,867.36)
Interest Income		**(305.19)**	(326.31)
Finance Cost		**3158.46**	1967.83
Provision for Gratuity/Leave encashment on actuarial basis		**387.31**	372.94
Operating Profit before exceptional items and working capital changes		**8201.17**	7322.70
Less : Exceptional items		**628.44**	**-**
Operating Profit before working capital changes		**7572.73**	7322.70
Movement in working capital :		**-**	**-**
Increase/(Decrease) in Trade Payables and Other Liabilities		**1317.43**	1214.54
Decrease/(Increase) in Trade Receivables		**(98.93)**	(4,454.45)
Decrease/(Increase) in Inventories		**(3,879.70)**	(3,852.29)
Decrease/(Increase) in Loans and Advances		**(20.79)**	(89.27)
Cash generated from/(used in) Operations		**4890.74**	141.23
Direct taxes (paid)/Refunds (net)		**(921.58)**	(1,399.97)
Net Cash Flow from/(used in) Operating activities (A)		**3969.16**	(1,258.74)
CASH FLOW FROM INVESTING ACTIVITIES		**-**	-
Purchase of Property Plant and Equipment, Intangible assets,			
Capital Work in Progress and CapitalAdvances		**(5,966.08)**	(5,799.04)
Proceeds from sale of Property Plant and Equipment		**1117.00**	2069.14
Interest received		**325.90**	359.89
Net Cash Flow from /(used in) Investing activities (B)		**(4,523.18)**	(3,370.01)
CASH FLOW FROM FINANCING ACTIVITIES			
Proceeds from borrowings		**6241.73**	4948.09
Repayment of borrowings			(597.45)
Dividend paid		**(3,610.72)**	(1,805.36)
Interest paid		**(3,047.50)**	(1,997.17)
Repayment of Lease liability		**(110.00)**	
Net Cash Flow from /(used in) Financing activities (C)		**(526.49)**	548.11
Net increase/(decrease) in cash and cash equivalents (A+B+C)		**(1,080.51)**	(4,080.64)
Cash and cash equivalents at the beginning of the year		**3694.42**	7775.06
Cash and cash equivalents at the end of the year		**2613.91**	3694.42
Components of Cash and Cash equivalents			
Balances with banks :			
In current accounts		**1861.35**	1160.23
In deposit accounts (With original maturity of less than 3 months)		**720.12**	2501.94
In dividend accounts		**-**	11.61
Cash in hand		**32.44**	20.64
Total cash and cash equivalents		**2613.91**	3694.42

Summary of Significant Accounting Policies

Notes to Financial Statements

The notes are an integral part of the Financial Statements.

As per our report of even date

For A. T. JAIN & CO.
Firm Registration No : 103886W
Chartered Accountants

Sushil Jain
Partner
Membership No: 033809

Place: Mumbai
Date :
29 JUN 2020

For and on behalf of the Board of Directors of
EMPIRE INDUSTRIES LIMITED

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S. C. NANDA

A : Equity Share Capital

₹ in lakhs

			As at 31st March, 2020	As at 31st March, 2019
Authorised Capital				
1,50,00,000	(Previous Year: 15,000,000) Equity shares of Rs.10/- each		**1,500.00**	1,500.00
50,000	(Previous Year: 50,000) Cumulative Redeemable Preference shares of Rs.100/- each		**50.00**	50.00
		Total	**1,550.00**	1,550.00
Issued, Subscribed and Fully Paid up				
59,99,998	(Previous Year: 5,999,998) Equity shares of Rs. 10/- each, fully paid up		**600.00**	600.00
		Total	**600.00**	600.00

(a) Reconciliation of the shares outstanding at the beginning and at the end of the reporting year:

Particulars	**31st March, 2020**		31st March, 2019	
	Number of shares	Amount	Number of shares	Amount
Shares outstandings at the beginning of the year	59,99,998	600.00	59,99,998	600.00
Outstanding at the end of the year	**59,99,998**	**600.00**	59,99,998	600.00

B : Other Equity

For the year ended 31st March, 2020

₹ in lakhs

Particulars	**Reserves and Surplus**					**Other Comprehensive Income**		**Total**
	Securities Premium Reserve	**Capital Reserve**	**Capital Redemption Reserve**	**General Reserve**	**Retained Earnings**	**Equity Instruments through Other Comprehensive Income**	**Remeasurement of Defined benefit plan**	
Balance as at 1st April, 2019	**13.33**	**65.97**	**-**	**23,197.26**	**-**	**-**	**(138.53)**	**23,138.03**
Impact on account of adoption of Ind AS 116 (Refer Note No. 40)	**-**	**-**	**-**	**(157.19)**	**-**	**-**	**-**	**(157.19)**
	13.33	**65.97**	**-**	**23,040.07**	**-**	**-**	**(138.53)**	**22,980.84**
Add : Profit/ (Loss) for the period	**-**	**-**	**-**	**3,417.63**	**-**	**-**	**(10.67)**	**3,406.96**
Less: Final Dividend (including dividend distrubution tax	**-**	**-**	**-**	**(1,500.00)**	**-**	**-**	**-**	**(1,500.00)**
Less : Tax on final dividend	**-**	**-**	**-**	**(308.33)**	**-**	**-**	**-**	**(308.33)**
Less : Interim Dividend distribution				**(1,500.00)**	**-**			**(1,500.00)**
Less : Tax on dividend	**-**	**-**	**-**	**(308.33)**	**-**	**-**	**-**	**(308.33)**
Profit for the period	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**
Balance as at 31st March, 2020	**13.33**	**65.97**	**-**	**22,841.04**	**-**	**-**	**(149.20)**	**22,771.14**

For the year ended 31st March, 2019

Particulars	Reserves and Surplus					Other Comprehensive Income		Total
	Securities Premium Reserve	Capital Reserve	Capital Redemption Reserve	General Reserve	Retained Earnings	Equity Instruments through Other Comprehensive Income	Other Items of Other Comprehensive Income	
Balance as at 1st April, 2018	13.33	65.97	-	20,619.12	-	-	(88.89)	20,609.53
Less : Goodwill on Amalgamation written off	-	-	-	-	-	-	-	-
Add : On Amalgamation	-	-	-	-	-	-	-	-
Add : Profit/ (Loss) for the period	-	-	-	4,383.50	-	-	(49.64)	4,333.86
Add : Gain/ (Loss) on Investment in Preference Shares	-	-	-	-	-	-	-	-
Add : Gain/ (Loss) on Preference Shares redeemed	-	-	-	-	-	-	-	-
Less : Dividend	-	-	-	(1,500.00)	-			(1,500.00)
Less : Tax on dividend	-	-	-	(305.36)	-	-	-	(305.36)
Profit for the period	-	-	-	-	-	-	-	-
Balance as at 31st March, 2019	13.33	65.97	-	23,197.26	-	-	(138.53)	23,138.03

NOTES TO THE FINANCIAL STATEMENTS

1. CORPORATE INFORMATION:

Empire Industries Limited (the Company) having domicile presence in the state of Maharashtra, India, has been incorporated under Companies Act in year 1900. It is engaged in the business of manufacture of container glass, trading in frozen foods, indenting and property development. The company's shares are listed and publicly traded on the BSE Limited (BSE).

2. SIGNIFICANT ACCOUNTING POLICIES:

2.1 Basis of Preparation of financial statements.

These financial statements are prepared in accordance with Indian Accounting Standards (Ind AS) under the historical cost convention on the accrual basis except for certain financial instruments which are measured at fair values. The Ind AS are prescribed under Section 133 of the Companies Act, 2013 ("the Act") read with Rule 3 of the Companies (Indian Accounting Standards) Rules, 2015 as amended.

Accounting policies have been consistently applied except where a newly issued Indian accounting standard is initially adopted or a revision to an existing accounting standard require a change in accounting policy hitherto in use.

The financial statements are presented in Indian Rupees ('INR') and all values are rounded to the nearest lakh, except otherwise indicated.

2.2 Use of Assumptions Judgments and Estimates

The preparation of the financial statements in conformity with Ind AS requires the management to make estimates, judgments and assumptions. These estimates, judgments and assumptions affect the application of accounting policies and the reported amounts of assets and liabilities, the disclosures of contingent assets and liabilities at the date of the financial statements and reported amounts of revenues and expenses during the period. The application of accounting policies that require critical accounting estimates involving complex and subjective judgments and the use of assumptions in these financial statements have been disclosed below. Actual results could differ from those estimates. Appropriate changes in estimates are made as management becomes aware of changes in circumstances surrounding the estimates. Changes in estimates are reflected in the financial statements in the period in which changes are made and, if material, their effects are disclosed in the notes to the financial statements.

Critical accounting estimates

(a) Revenue Recognition

The Company uses the percentage-of-completion method in accounting for its fixed-price contracts. Use of the percentage-of-completion method requires the Company to estimate the efforts or costs expended to date as a proportion of the total efforts or costs to be expended. Efforts or costs expended have been used to measure progress towards completion as there is a direct relationship between input and productivity.

Further, the Company uses significant judgments while determining the transaction price allocated to performance obligations using the expected cost plus margin approach.

Provisions for estimated losses, if any, on uncompleted contracts are recorded in the period in which such losses become probable based on the expected contract estimates at the reporting date.

(b) Impairment of non-financial assets:

The Company assesses at each reporting date whether there is an indication that an asset may be impaired. If any indication exists, or when annual impairment testing for an asset is required, the Company estimates the asset's recoverable amount. An asset's recoverable amount is the higher of an asset's or CGU's fair value less costs of disposal and its value in use. It is determined for an individual asset, unless the asset does not generate cash inflows that are largely independent of those from other assets or groups of assets. Where the carrying amount of an asset or CGU exceeds its recoverable amount, the asset is considered impaired and is written down to its recoverable amount.

In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset. In determining fair value less costs of disposal, recent market transactions are taken into account. If no such transactions can be identified, an appropriate valuation model is used.

(c) Defined benefit plans:

The cost of the defined benefit plan and other post-employment benefits and the present value of such obligation are determined using actuarial valuations. An actuarial valuation involves making various assumptions that may differ from actual developments in the future. These include the determination of the discount rate, future salary increases, mortality rates and attrition rate. Due to the complexities involved in the valuation and its long-term nature, a defined benefit obligation is highly sensitive to changes in these assumptions. All assumptions are reviewed at each reporting date.

(d) Impairment of financial assets:

The impairment provisions for financial assets are based on assumptions about risk of default and expected loss rates. The Company uses judgement in making these assumptions and selecting the inputs to the impairment calculation based on Company's past history, existing market conditions as well as forward looking estimates at the end of each reporting period.

(e) Property, Plant and Equipment

Property, plant and equipment represent a significant proportion of the asset base of the Company. The charge in respect of periodic depreciation is derived after determining an estimate of an asset’s expected useful life and the expected residual value at the end of its life. The useful lives and residual values of Company's assets are determined by the management at the time the asset is acquired and reviewed periodically, including at each financial year end. The lives are based on historical experience with similar assets as well as anticipation of future events, which may impact their life, such as changes in technology.

2.3 Recent Pronouncements

(a) Ind AS 116 - Leases

On March 30, 2019, Ministry of Corporate Affairs has notified Ind AS 116 – Leases. Ind AS 116 will replace the existing Standard i.e. Ind AS 17 – Leases, and related Interpretations. The Standard sets out the principles for the recognition, measurement, presentation and disclosure of leases for both parties to a contract i.e., the lessee and the lessor. Ind AS 116 introduces a single lessee accounting model and requires a lessee to recognize assets and liabilities for all leases with a term of more than twelve months, unless the underlying asset is of low value. Currently, operating lease expenses are charged to the statement of Profit & Loss. The Standard also contains enhanced disclosure requirements for lessees.

The effective date for adoption of Ind AS 116 is annual periods beginning on or after April 1, 2019. The standard permits two possible methods of transition:

- Full retrospective – Retrospectively to each prior period presented applying Ind AS 8 Accounting Policies, Changes in Accounting Estimates and Errors

- Modified retrospective – Retrospectively, with the cumulative effect of initially applying the Standard recognized at the date of initial application.

Under modified retrospective approach, the lessee records the lease liability as the present value of the remaining lease payments, discounted at the incremental borrowing rate and the right of use asset either as:

- Its carrying amount as if the standard had been applied since the commencement date, but discounted at lessee's incremental borrowing rate at the date of initial application or

- An amount equal to the lease liability, adjusted by the amount of any prepaid or accrued lease payments related to that lease recognized under Ind AS 17 immediately before the date of initial application.

Certain practical expedients are available under both the methods

The Company is currently evaluating the effect of this amendment on the financial statements.

(b) Ind AS 12 Appendix C – Uncertainty over Income Tax Treatments

On March 30, 2019, Ministry of Corporate Affairs has notified Ind AS 12 Appendix C – Uncertainty over Income Tax Treatments which is to be applied while performing the determination of taxable profit (or loss), tax bases, unused tax losses, unused tax credits and tax rates, when there is uncertainty over income tax treatments under Ind AS 12. According to the appendix, companies need to determine the probability of the relevant tax authority accepting each tax treatment, or group of tax treatments, that the companies have used or plan to use in their income tax filing which has to be considered to compute the most likely amount or the expected value of the tax treatment when determining taxable profit (tax loss), tax bases, unused tax losses, unused tax credits and tax rates. The standard permits two possible methods of transition –

- Full retrospective approach – Under this approach, Appendix C will be applied retrospectively to each prior reporting period presented in accordance with Ind AS 8 – Accounting Policies, Changes in Accounting Estimates and Errors, without using hindsight and

- Retrospectively with cumulative effect of initially applying Appendix C recognized by adjusting equity on initial application, without adjusting comparatives.

The effective date for adoption of Ind AS 12 Appendix C is annual periods beginning on or after April 1, 2019. The Company will adopt the standard on April 1, 2019 and has decided to adjust the cumulative effect in equity on the date of initial application i.e. April 1, 2019 without adjusting comparatives.

The effect on adoption of Ind AS 12 Appendix C would be insignificant in the financial statements.

(c) Amendment to Ind AS 19 – Plan amendment, curtailment or settlement

On March 30, 2019, Ministry of Corporate Affairs issued amendments to Ind AS 19, 'Employee Benefits', in connection with accounting for plan amendments, curtailments and settlements. The amendments require an entity:

- to use updated assumptions to determine current service cost and net interest for the remainder of the period after a plan amendment, curtailment or settlement; and

- to recognize in profit or loss as part of past service cost, or a gain or loss on settlement, any reduction in a surplus, even if that surplus was not previously recognized because of the impact of the asset ceiling.

Effective date for application of this amendment is annual period beginning on or after April 1, 2019. The Company is currently evaluating the effect of this amendment on the financial statements.

2.4 Revenue Recognition

The Company has revenue recognition policies for its various operating segments that are appropriate to the nature of each business. The revenues are recognized when the general revenue recognition criteria given in Ind AS 115 are met.

The Company derives revenue primarily from business of manufacturer of container glass, trading in frozen foods, indenting and real estate. The company has adopted Ind AS 115, Revenue from contracts with customer, effective April 1, 2018, on a modified retrospective basis, applying the standard to all contracts that are not completed as such date. The adoption of Ind AS 115 did not have any significant financial impact and accordingly, no adjustment are made to the amount recognized in the financial statement. The adoption has resulted in changes to accounting policies and mandated certain disclosures. Revenue is recognized upon transfer of control of promised products or services to customer in an amount that reflects the consideration we expect to receive in exchange for those products or services. Arrangement with customer for manufacturer of container glass, trading in frozen foods, indenting and real estate are either on a fixed-price fixed-timeframe or on a time-and-material basis. Revenue from fixed price, fixed timeframe contracts, where the performance obligation are satisfied overtime and where there is no uncertainty to measurement or collectability of consideration, is recognized as per the percentage of completion method. When there is uncertainty as to measurement or ultimate collectability, revenue recognition is postponed until such uncertainty is resolved. Efforts or costs expended have been used to measure progress towards completion as there is a direct relationship between input and productivity. Revenue in excess of invoicing are classified as contracts assets (Which we refer as unbilled revenue) while invoicing in excess of revenue are classified as contract liabilities (Which we refer to as unearned revenues).

Manufacturing and Trading Division

a) Revenues from sales and services are recognized on transfer of all significant risks and rewards of ownerships to the customers and are net of sales returns and taxes. Scrap sale is accounted upon sale.

Indenting Division

a) Foreign commission is recognized on shipment of goods by foreign principals. Local commission is accounted on accrual basis.
b) Revenue from engineering consultancy services and business support services are recognized as and when services are rendered.

Revenue recognition on Property Development

a) Income from property development is recognized on the transfer of all significant risks and rewards of ownership to the buyers and it is not unreasonable to expect ultimate collection and no significant uncertainty exists regarding the amount of consideration. However, if at the time of transfer substantial acts are yet to be performed under the contract, revenue is recognized on proportionate basis as the act are being performed and monies received i.e. on the percentage of completion method on achieving at least 25 percent of physical progress of project and receipt of 10% of the sales consideration. The percentage of completion is stated on the basis of physical measurement of work actually completed as at the balance sheet date and certified by the Architect. As the long-term contracts necessarily extend beyond one year, revision in costs and revenues estimated during the course of the contract are reflected in the accounting period in which the facts requiring the revision become known.

b) Determination of revenues under the percentage of completion method necessarily involves making estimates by the Company, some of which are of technical nature, concerning, where relevant, the percentage of completion, costs to completion, the expected revenues from the project and the foreseeable losses to completion.

Contract modifications are accounted for when additions, deletions or changes are approved either to the contract scope or contract price. The accounting for modifications of contracts involves assessing whether the services added to an existing contract are distinct and whether the pricing is at the standalone selling price. Services added that are not distinct are accounted for on a cumulative catch up basis, while those that are distinct are accounted for prospectively, either as a separate contract, if the additional services are priced at the standalone selling price, or as a termination of the existing contract and creation of a new contract if not priced at the standalone selling price.

The Company presents revenues net of indirect taxes in its statement of Profit and loss.

Performance obligations and remaining performance obligations

The remaining performing obligation disclosure provides the aggregate amount of the transaction price yet to be recognized as at the end of the reporting period and an explanation as to when the company expects to recognize these amounts in revenue. Applying the practical expedient as given in Ind AS 115, the company has not disclosed the remaining performance obligation related disclosures for contracts where the revenue recognized corresponds directly with the value to the customer of the entity’s performance completed to date, typically those contracts where invoicing is on time and material basis. Remaining performance obligation estimates are subject to change and affected by several factors including terminations, changes in the scope of contracts, periodic revalidations, adjustments for revenues that has not materialized and adjustments for currency.

2.5 Taxes on Income:

Taxes on Income comprises of current tax and deferred tax. Current tax and deferred tax are recognized in profit and loss, except to the extent that it relates to items recognized in other comprehensive income or directly in equity. In this case, the tax expense is also recognized in other comprehensive income or directly in equity, respectively.

Current Tax:

Current tax for current and prior periods is recognized at the amount expected to be paid to or recovered from the tax authorities, using the tax rates and tax laws that have been enacted or substantively enacted by the balance sheet date. Taxable income differs from 'profit before tax' as reported on the statement of profit and loss because of items of income or expenses that are taxable or deductible in other years and items that are never taxable or deductible.

Deferred tax:

Deferred tax assets and liabilities are recognized for all temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the financial statements. Deferred tax assets are reviewed at each reporting date and are reduced to the extent that it is no longer probable that the related tax benefit will be realized.

Deferred tax assets and liabilities are measured using tax rates and tax laws that have been enacted or substantively enacted by the balance sheet date and are expected to apply to taxable income in the years in which those temporary differences are expected to be recovered or settled. The effect of changes in tax rates on deferred income tax assets and liabilities is recognized as income or expense in the period that includes the enactment or the substantive enactment date. A deferred tax asset is recognized to the extent that it is probable that future taxable profit will be available against which the deductible temporary differences and tax losses can be utilized.

Deferred tax assets and deferred tax liabilities are offset if a legally enforceable right exists to set off current tax assets against current income tax liabilities and the deferred taxes relate to the same taxable entity and the same taxation authority.

The break-up of the major components of the deferred tax assets and liabilities as at balance sheet date has been arrived at after setting off deferred tax assets and liabilities where the Company have a legally enforceable right to set-off assets against liabilities and where such assets and liabilities relate to taxes on income levied by the same governing taxation laws.

2.6 Property, Plant and equipment

Property, plant and equipment represent a significant proportion of the asset base of the Company.

Property, plant and equipment are stated at original cost net of tax / duty credit availed, less accumulated depreciation and accumulated impairment losses, if any. Cost of an asset companies of cost of acquisition or construction and includes, where applicable, inward freight, duties and taxes, installation expenses, professional fees, borrowing costs, initial estimates of the cost of dismantling, cost of replacing parts of the property, plant and equipments and other costs directly attributable to the bringing the asset to the location and condition necessary for it to be capable of operating in the intended manner and purposes. When significant parts of property, plant and equipment are required to be replaced at intervals, the Company derecognizes the replaced part and recognizes the new part with its own associated useful life and it is depreciated accordingly. Likewise, when a major inspection is performed, its cost is recognized in the carrying amount of the plant and equipment as a replacement if the recognition criteria are satisfied. All other repair and maintenance costs are recognized in the statement of profit and loss as incurred.

Capital work in progress includes machinery to be installed, construction and erection materials, borrowing costs, unallocated pre-operative and other expenditures directly attributable towards construction and erection of the assets.

Advances paid towards the acquisition of property, plant and equipment outstanding at each balance sheet date is classified as “Capital Advances” under other non-current assets. Subsequent expenditures relating to property, plant and equipment is capitalized only when it is probable that future economic benefits associated with these will flow to the company and the cost of the item can be measured reliably.

Property, plant and equipment are eliminated from financial statement on disposal. Gains or losses arising from disposal of property, plant and equipment are recognized in the statement of profit and loss in the year of occurrence.

The assets' residual values, useful lives and methods of depreciation are reviewed at each financial year end and adjusted prospectively, if appropriate.

Depreciation on PPE commences when the assets are ready for their intended use.

(i) Depreciation has been provided under Straight Line Method on Buildings and Flats, Plant and Machinery and Furnace and on other assets under the Written Down Value Method at the rates specified as per Schedule II of Companies Act, 2013. Depreciation on the additions to assets or where any assets has been sold or discarded, is calculated on a Pro-rata basis from the date of such additions up to the date of such sale or discards as the case may be.

Asset	Useful lives (estimated by the management) (Years)
Building	**60**
Plants and Equipments	**3-15**
Furniture and fixture	**10**
Office equipment	**3-6**
Vehicles	**8-10**
Furnace	**10**

Lease hold improvements and premium on lease hold land is amortized over the period of lease.

2.7 Intangible Assets

Intangible assets are recognized when it is probable that the future economic benefits that are attributable to the assets will flow to the Company and the cost of the asset can be measured reliably. Intangible assets are carried at cost less accumulated amortization and accumulated impairment losses, if any.

Internally generated intangibles, excluding capitalized development costs, are not capitalized and the related expenditure is reflected in profit and loss in the period in which the expenditure is incurred.

The useful lives of intangible assets are assessed as either finite or indefinite. The amortization period and the amortization method for an intangible asset with a finite useful life are reviewed at least at the end of each reporting period. Changes in the expected useful life or the expected pattern of consumption of future economic benefits embodied in the asset are considered to modify the amortization period or method, as appropriate, and are treated as changes in accounting estimates.

Intangible assets with finite lives are amortized over the estimated useful economic life of the assets by using straight line method and assessed for impairment whenever there is an indication that the intangible asset may be impaired.

Intangible assets are amortized as follows:

Sr. No.	Nature of asset	Estimated Useful Life
1.	Software	3 Years

Gains or losses arising from de - recognition of an intangible asset are measured as the difference between the net disposal proceeds and the carrying amount of the asset and are recognized in the statement of profit and loss when the asset is derecognized.

2.8 Inventories

(a) Stock of raw materials, packing materials and stores & spares are valued at weighted average cost.

(b) Cost comprises purchase cost, duties, taxes (other than those subsequently recoverable from tax authorities) and all other costs incurred in bringing the inventory to their present location and condition. Damaged, unserviceable and inert stocks are suitably written down.

(c) Work-in-Progress is valued at lower of cost and net realisable value. Cost comprises cost of land. Materials, services, overheads related to projects under construction and apportioned borrowing costs.

(d) Traded goods and finished goods are valued at lower of cost or market value / contracted price.

Goods and materials in transit are valued at actual cost incurred up to the date of balance sheet.

2.9 Financial instruments

(i) Financial assets:

Initial recognition and measurement

All financial assets are recognized initially at fair value plus transaction costs that are attributable to the acquisition of the financial asset except in the case of financial assets recorded at fair value through Profit and Loss.

Financial assets are classified, at initial recognition, as financial assets measured at fair value or as financial assets measured at amortized cost.

Subsequent measurement

For purposes of subsequent measurement financial assets are classified in two broad categories:

- Financial assets at fair value

- Financial assets at amortized cost

Where assets are measured at fair value, gains and losses are either recognized entirely in the statement of profit and loss (i.e. fair value through profit or loss) or recognized in other comprehensive income (i.e. fair value through other comprehensive income).

A financial asset that meets the following two conditions is measured at amortized cost (net of any write down for impairment) unless the asset is designated at fair value through profit or loss under the fair value option.

• **Business model test**: The objective of the Company's business model is to hold the financial asset to collect the contractual cash flows (rather than to sell the instrument prior to its contractual maturity to realise its fair value changes).

• **Cash flow characteristics test**: The contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

A financial asset that meets the following two conditions is measured at fair value through other comprehensive income unless the asset is designated at fair value through profit or loss under the fair value option.

• **Business model test**: The financial asset is held within a business model whose objective is achieved by both collecting contractual cash flows and selling financial assets.

• **Cash flow characteristics test**: The contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

Even if an instrument meets the two requirements to be measured at amortized cost or fair value through other comprehensive income, a financial asset is measured at fair value through profit or loss if doing so eliminates or significantly reduces a measurement or recognition inconsistency (sometimes referred to as an 'accounting mismatch') that would otherwise arise from measuring assets or liabilities or recognizing the gains and losses on them on different bases.

All other financial asset is measured at fair value through profit or loss.

All equity investments are measured at fair value in the balance sheet, with value changes recognized in the statement of profit and loss, except for those equity investments for which the entity has elected to present value changes in 'other comprehensive income'.

If an equity investment is not held for trading, an irrevocable election is made at initial recognition to measure it at fair value through other comprehensive income with only dividend income recognized in the statement of profit and loss.

De - recognition

A financial asset (or, where applicable, a part of a financial asset or part of a group of similar financial assets) is primarily derecognized (i.e. removed from the Company's statement of financial position) when:

- The rights to receive cash flows from the asset have expired, or

- The Company has transferred its rights to receive cash flows from the asset or has assumed an obligation to pay the received cash flows in full without material delay to a third party under a 'pass-through' arrangement and either-

(a) the Company has transferred substantially all the risks and rewards of the asset, or
(b) the Company has neither transferred nor retained substantially all the risks and rewards of the asset but has transferred control of the asset.

When the Company has transferred its rights to receive cash flows from an asset or has entered into a pass-through arrangement, it evaluates if and to what extent it has retained the risks and rewards of ownership. When it has neither transferred nor retained substantially all of the risks and rewards of the asset, nor transferred control of the asset, the Company continues to recognize the transferred asset to the extent of the Company's continuing involvement. In that case, the Company also recognizes an associated liability. The transferred asset and the associated liability are measured on a basis that reflects the rights and obligations that the Company has retained.

Continuing involvement that takes the form of a guarantee over the transferred asset is measured at the lower of the original carrying amount of the asset and the maximum amount of consideration that the Company could be required to repay.

(ii) Financial liabilities:

Initial recognition and measurement

All financial liabilities are recognized initially at fair value and, in the case of loans and borrowings and payables, net of directly attributable transaction costs.

The Company's financial liabilities include trade and other payables, loans and borrowings including bank overdrafts, and derivative financial instruments.

Subsequent measurement

The measurement of financial liabilities depends on their classification, as described below:

Financial liabilities at fair value through profit or loss

Financial liabilities at fair value through profit or loss include financial liabilities held for trading and financial liabilities designated upon initial recognition as at fair value through profit or loss.

Financial liabilities are classified as held for trading if they are incurred for the purpose of repurchasing in the near term. This category also includes derivative financial instruments entered into by the Company that are not designated as hedging instruments in hedge relationships as defined by Ind AS 109. Separated embedded derivatives are also classified as held for trading unless they are designated as effective hedging instruments.

Gains or losses on liabilities held for trading are recognized in the statement of profit and loss.

Financial liabilities designated upon initial recognition at fair value through profit or loss are designated at the initial date of recognition, and only if the criteria in Ind AS 109 are satisfied.

Loans and borrowings

After initial recognition, interest-bearing loans and borrowings are subsequently measured at amortized cost using the EIR method.

Gains and losses are recognized in profit or loss when the liabilities are derecognized as well as through the EIR amortization process.

Amortized cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortization is included as finance costs in the statement of profit and loss.

De - recognition

A financial liability is derecognized when the obligation under the liability is discharged or cancelled or expires. When an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as the de-recognition of the original liability and the recognition of a new liability. The difference in the respective carrying amounts is recognized in the statement of profit and loss.

(iii) Offsetting of financial instruments:

Financial assets and financial liabilities are offset and the net amount is reported in the balance sheet if there is a currently enforceable legal right to offset the recognized amounts and there is an intention to settle on a net basis, to realize the assets and settle the liabilities simultaneously.

2.10 Impairment of Asset:

An asset is treated as impaired when the carrying cost of asset exceeds its recoverable value. An impairment loss is recognized in the statement of profit and loss, whenever the carrying amount of assets either belonging to Cash Generating Unit (CGU) or otherwise exceeds recoverable amount. The recoverable amount is the higher of assets fair value less cost of disposal and its value in use. The impairment loss recognized in prior accounting year is reversed if there has been a change in the estimate of recoverable amount. In such cases the carrying amount of the asset is increased to the lower of its recoverable amount and the carrying amount that have been determined, net of depreciation, had no impairment loss been recognized for the asset in prior years.

Impairment of financial assets

The amount of expected credit losses (or reversal) that is required to adjust the loss allowance at the reporting date to the amount that is required to be recognized is recognized as an impairment gain or loss in profit or loss.

2.11 Provisions, Contingent Liabilities and Contingent assets

A provision is recognized if, as a result of a past event, the company has a present legal or constructive obligation that is reasonably estimable, and it is probable that an outflow of economic benefits will be required to settle the obligation. Provisions are determined by discounting the expected future cash flows at a pre-tax rate that reflects current market assessments of the time value of money and the risks specific to the liability. Provisions are not recognized for future operating losses. Provisions are determined based on the best estimate required to settle the obligation at the balance sheet date.

A contingent liability is disclosed unless the possibility of an outflow of resources embodying economics benefits is remote. Contingent assets are not recognized in financial statements since this may result in the recognition of income that may never be realized. However, when the realization of income is virtually certain, then the related asset is not a contingent asset and its recognition is appropriate.

A contingent asset is disclosed, where an inflow of economic benefits is probable.

2.12 Foreign Currency Transactions:

Functional currency

The functional currency of the company is Indian Rupees (‘INR’). These financial statements are presented in Indian Rupees and the all values are rounded to the nearest Lakh, except otherwise indicated.

Transactions and translations

Foreign-currency denominated monetary assets and liabilities are translated into the relevant functional currency at exchange rates in effect at the balance sheet date. Transactions in foreign currencies are translated into the functional currency at the exchange rates prevailing on the date of transactions. Gains and losses, if any, at the year-end in respect of monetary assets and monetary liabilities not covered by the forward contracts are transferred to Profit & Loss Account except for Long Term Foreign Currency Monetary Items. Transaction gains or losses realized upon settlement of foreign currency transactions are included in determining net profit for the period in which the transaction is settled.

Non-monetary assets and non-monetary liabilities denominated in a foreign currency and measured at fair value are translated at the exchange rate prevalent at the date when the fair value was determined. Non-monetary assets and non-monetary liabilities denominated in a foreign currency and measured at historical cost are translated at the exchange rate prevalent at the date of the transaction.

Revenue, expense and cash-flow items denominated in foreign currencies are translated into the relevant functional currencies using the exchange rate in effect on the date of the transaction.

2.13 Borrowing Cost

Borrowing cost comprises of interest and other costs incurred in connection with the borrowing of the funds. All borrowing costs are recognized in the Statement of Profit and Loss using the effective interest method except to the extent attributable to qualifying Property Plant and Equipment (PPE) which are capitalized to the cost of the related assets. A qualifying PPE is an asset that necessarily takes a substantial period of time to get ready for its intended use or sale.

2.14 Earnings per equity share

Basic earnings per share

Basic earnings per share are calculated by dividing:

- the profit attributable to owners of the Company

- by the weighted average number of equity shares outstanding during the financial year, adjusted for bonus elements in equity shares issued during the year and excluding treasury shares.

Diluted earnings per share

Diluted earnings per share adjust the figures used in the determination of basic earnings per share to take into account:

-the after income tax effect of interest and other financing costs associated with dilutive potential equity shares, and

-the weighted average number of additional equity shares that would have been outstanding assuming the conversion of all dilutive potential equity shares.

The dilutive potential equity shares are adjusted for the proceeds receivable had the equity shares been actually issued at fair value (i.e. the average market value of the outstanding equity shares). Dilutive potential equity shares are deemed converted as at the beginning of the period, unless issued at a later date. Dilutive potential equity shares are determined independently for each period presented.

The number of equity shares and potentially dilutive equity shares are adjusted retrospectively for all periods presented for any share splits and bonus shares issues including for changes effected

2.15 Employee Benefit

All employee benefits payable wholly within twelve months rendering services are classified as short term employee benefits. Benefits such as salaries, wages, short-term compensated absences, performance incentives etc., and the expected cost of bonus, ex-gratia are recognized during the period in which the employee renders related service.

Payments to defined contribution retirement benefit plans are recognized as an expense when employees have rendered the service entitling them to the contribution.

The cost of providing benefits under the defined benefit plan is determined using the projected unit credit method with actuarial valuations being carried out at each balance sheet date, which recognizes each period of service as giving rise to additional unit of employee benefit entitlement and measure each unit separately to build up the final obligation.

Remeasurements, comprising of actuarial gains and losses, the effect of the asset ceiling, excluding amounts included in net interest on the net defined benefit liability and the return on plan assets (excluding amounts included in net interest on the net defined benefit liability), are recognized immediately in the balance sheet with a corresponding debit or credit to retained earnings through other comprehensive income in the period in which they occur. Remeasurements are not reclassified to the statement of profit and loss in subsequent periods.

Net interest is calculated by applying the discount rate to the net defined benefit liability or asset.

The Company recognizes the following changes in the net defined benefit obligation under employee benefit expenses in the statement of profit and loss.

- Service costs comprising current service costs, past-service costs, gains and losses on curtailments and non-routine settlements,
- Net interest expense or income.

Long-term employee benefits

Compensated absences which are not expected to occur within twelve months after the end of the period in which the employee renders the related services are recognised as a liability at the present value of the defined benefit obligation at the balance sheet date.

Termination benefits

Termination benefits are recognized as an expense in the period in which they are incurred.

2.16 Cash flow Statement

Cash flows are reported using the indirect method, whereby profit for the period is adjusted for the effects of transactions of a non-cash nature, any deferrals or accruals of past or future operating cash receipts or payments and item of income or expenses associated with investing or financing cash flows. The cash flows from operating, investing and financing activities of the Company are segregated.

2.17 Cash and cash equivalents:

All highly liquid financial instruments, which are readily convertible into determinable amounts of cash and which are subject to insignificant risk of change in valueand are having original maturities of three months or less from the date of purchase, are considered as cash equivalents. Cash and cash equivalents include balances with banks which are unrestricted for withdrawal and usage.

2.18 Lease

Operating Lease

As a lessee

Leases in which a significant portion of the risks and rewards of ownership are not transferred to the Company, as lessee, are classified as operating leases. Payments made under operating leases are charged to the Statement of Profit and Loss on a straight-line basis over the period of the lease unless the payments are structured to increase in line with expected general inflation to compensate for the Lessor's expected inflationary cost increases.

As a lessor

Lease income from operating leases where the Company is a lessor is recognized in income on a straight-line basis over the lease term unless the receipts are structured to increase in line with expected general inflation to compensate for the expected inflationary cost increases. The respective leased assets are included in the balance sheet based on their nature.

2.19 Exceptional Items

Certain occasions, the size, type or incidence of an item of income or expense, pertaining to the ordinary activities of the Company is such that its disclosure improves the understanding of the performance of the Company, such income or expense is classified as an exceptional item and accordingly, disclosed in the notes accompanying to the financial statements.

2.20 Current and non-current classification

The Company presents assets and liabilities in the balance sheet based on current/non-current classification.

An asset is current when it is:

- Expected to be realized or intended to sell or consumed in normal operating cycle,
- Held primarily for the purpose of trading,
- Expected to be realized within twelve months after the reporting period, or
- Cash or cash equivalent unless restricted from being exchanged or used to settle a liability for at least twelve months after the reporting period.

All other assets are classified as non-current.

A liability is current when:

- It is expected to be settled in normal operating cycle,
- It is held primarily for the purpose of trading,
- It is due to be settled within twelve months after the reporting period, or
- There is no unconditional right to defer the settlement of the liability for at least twelve months after the reporting period.

Deferred tax assets/liabilities are classified as non-current.

All other liabilities are classified as non-current.

₹ in lakhs

Particulars	GROSS BLOCK				DEPRECIATION				NET BLOCK	
	As at 31-Mar-2019	**Additions during the Year**	**Deductions/ Decapitalized during the Year**	**As at 31-Mar-2020**	As at 31-Mar-2019	Depreciation for the Year	Deduction during the Year	**As at 31-Mar-2020**	**As at 31-Mar-2020**	As at 31-Mar-2019
NOTE 3A : Property, Plant & Equipment										
Freehold Land	18.97	**-**	**-**	**18.97**	-	-	-	**-**	**18.97**	18.97
Buildings	19,659.97	**543.55**	**40.00**	**20163.52**	2,690.66	336.85	20.16	**3,007.35**	**17156.17**	16,969.31
Leasehold improvements	-	**579.30**	**-**	**579.30**		39.03		**39.03**	**540.27**	-
Socierty Shares		**-**	**-**	**-**	-	-	-	**-**	**-**	-
Plant & Equipment	6,084.87	**5,595.87**	**1,770.84**	**9909.90**	3,152.84	463.07	1,711.16	**1,904.75**	**8005.15**	2,932.03
Furniture & Fixtures	1,825.58	**43.61**	**364.73**	**1504.46**	1,289.27	65.77	84.94	**1,270.10**	**234.36**	536.31
Vehicles	1,178.73	**204.09**	**95.36**	**1287.46**	768.24	131.66	85.01	**814.89**	**472.57**	410.49
Office Equipment	1,958.54	**139.47**	**179.75**	**1918.26**	1,720.81	91.22	161.11	**1,650.92**	**267.34**	237.73
Furnaces	1,220.61	**2,339.00**	**956.18**	**2603.43**	1,101.50	49.85	878.96	**272.39**	**2331.04**	119.11
Moulds and Castings	-	**-**	**-**	**-**	-	-	-	**-**	**-**	-
TOTAL	31,947.27	**9,444.89**	**3,406.86**	**37985.30**	10,723.32	1,177.45	2,941.34	**8,959.43**	**29025.87**	21,223.95
NOTE 3B : Capital Work-in-Progress	10,311.49	**869.60**	**4,018.23**	**7,162.86**	-	-	-	**-**	**7,162.86**	10,311.49
NOTE 4 : Intangible Assets										
Software	315.89	**3.01**	**1.65**	**317.25**	283.50	10.51	1.35	**292.66**	**24.59**	32.39
TOTAL	315.89	**3.01**	**1.65**	**317.25**	283.50	10.51	1.35	**292.66**	**24.59**	32.39
GRAND TOTAL	42,574.65	**10,317.50**	**7,426.74**	**45,465.41**	11,006.82	1,187.96	2,942.69	**9,252.09**	**36,213.32**	31,567.83

3.1.a Building includes Rs.1750 Being the value of 35 Shares of Rs.50/- Each.
1) West Nandanvan Co-op. Hsg Soc. Ltd, 2) Tara Apartment, 3) Vipul Co-op. Hsg Soc. Ltd.

3.1.b Capital work inprogress includes the acquisition/commissioning cost of assets under expansion/ acquisition and pending commissioning Projects under which tangible fixed assets are not ready for intended use and other capital work-in-progress are carried at cost, comprising direct cost, related incidental expenses and attributable borrowing costs. Expenditure of revenue nature related to such acquisition / expansion is also treated as Capital work-in-progress and capitalised along with the asset on completion of the expansion project or otherwise on commencement of commercial use of the asset.

Note 5 : INVESMENTS

		₹ in lakhs
Particulars	**As at 31st March, 2020**	As at 31st March, 2019
Investments in Equity instruments		
Quoted		
Unquoted	**0.01**	0.01
	0.01	0.01
Aggregate Value of unquoted share	**0.01**	0.01

Note 6 : Trade Receivables

		₹ in lakhs
Particulars	**As at 31st March, 2020**	As at 31st March, 2019
(1) Trade receivable		
Trade Receivable considered good - Unsecured	**651.08**	372.51
Trade Receivable-credit impaired	**3.27**	1.87
Less : Allowances for credit losses	**-3.27**	-1.87
	651.08	372.51

Note 7 : Loans

		₹ in lakhs
Particulars	**As at 31st March, 2020**	As at 31st March, 2019
Unsecured, Considered good		
At amortised cost		
Security Deposits	**143.01**	95.89
Loan to Employees	**112.10**	123.44
	255.11	219.33

Note 8 : Other Non-Current Assets

		₹ in lakhs
Particulars	**As at 31st March, 2020**	As at 31st March, 2019
Capital Advances	**171.70**	252.36
Margin Money Deposits (maturing after one year)	**274.02**	152.17
Fixed Deposit (maturing after one year)	**0.00**	2.57
Advances Other than Capital Advances		
Other Advances	**0.00**	100.00
Advances to Employees	**0.06**	0.20
Tender Deposits	**13.04**	18.79
Telephone Deposits	**0.30**	0.30
Rent Deposits	**28.44**	25.35
Security Deposits	**402.89**	402.88
Electricity Deposits	**3.46**	3.46
Sundry Deposits	**88.85**	89.80
VAT/Sales Tax Deposit	**100.75**	100.21
Excise Duty Deposit	**0.08**	0.08
Deposits with Municipalities and Other Local Authorities	**15.32**	15.31
Balance with Central Excise	**0.74**	0.74
Prepaid Expenses	**638.54**	318.55
Other Receivables (SAD Receivables)	**50.00**	0.00
	1788.19	1482.77

Note 9 : Inventories (Valued at lower of cost or Net Realisable Value)

(Value taken and certified by the management)

₹ in lakhs

Particulars	**As at 31st March, 2020**	As at 31st March, 2019
Raw Materials	**89.63**	97.16
Work in Progress	**8675.95**	8874.91
Finished Goods	**6756.01**	3654.12
Stores and Spares	**851.57**	804.88
Liquid Fuel & Petrol	**41.98**	41.53
Stock-in-trade	**1843.10**	905.94
	18258.24	14378.54

9.1 Inventories of Stores and Spare Parts include certain slow moving, non-moving and obsolete items towards obsolescence of such slowmoving, non-moving and obsolete items is carried in the books and the management is of the opinion that the same is adequate.

Note 10 : Trade Receivables

₹ in lakhs

Particulars	**As at 31st March, 2020**	As at 31st March, 2019
(1) Trade receivable		
Trade Receivable Considered Good - Unsecured	**10946.99**	11590.22
Trade Receivable - credit impaired	**34.86**	38.17
Less : Allowances for credit losses	**-34.86**	-38.17
	10946.99	11590.22

10.1 The accounts of some of the customers are pending reconciliation / confirmation.

10.2 There are no customers who represent more than 10% of the total balance of trade receivables as at the end of the reporting period.

10.3 Trade receivables are non-interest bearing and are generally on terms of 30 to 90 days.

Note 11 : Cash and Cash Equivalents

(As certified by the management)

₹ in lakhs

Particulars	**As at 31st March, 2020**	As at 31st March, 2019
Balances with banks :		
In Current accounts	**1606.58**	1084.11
In Cash Credit Accounts	**254.76**	76.12
In Deposit accounts	**720.13**	2501.94
In Dividend Accounts	**-**	-
Cheques on Hand	**-**	11.61
Cash in Hand	**32.44**	20.64
	2613.91	3694.42

11.1 Balance with banks on unpaid dividend account represents monies that can be utilised only to pay dividend to equity shareholdersagainst dividend warrants issued to them.

Note 12 : Bank Balances Other Than above

(As certified by the management)

₹ in lakhs

Particulars	**As at 31st March, 2020**	As at 31st March, 2019
Earmarked balances with bank - Unclaimed dividend	**101.47**	80.70
Margin Money Deposits maturing within one year	**469.41**	408.25
	570.88	488.95

Note 13 : Loans

Particulars	As at 31st March, 2020	₹ in lakhs As at 31st March, 2019
At Amortised Cost		
Unsecured, Considered good		
Security Deposits	**5.53**	**-**
Loans to related parties	**9.09**	**1.86**
Loans to Employee	**119.04**	**113.56**
Loans and Advances to Employees	**5.59**	**3.03**
	139.25	**118.45**

Note 14 : Other Current Assets

Particulars	As at 31st March 2020	₹ in lakhs As at 31st March 2019
Advances other than Capital Advances	**8.63**	6.47
Security deposits	**6.00**	11.00
Advances against Expenses	**15.73**	29.87
Advance to Suppliers	**537.41**	1156.57
Sundry Deposits	**209.87**	208.25
Others		
Interest accrued on fixed deposits and bonds	**60.75**	81.45
Trade Deposits	**29.86**	59.38
Other receivable	**6.54**	0.05
Deposits with Insurance Company	**129.68**	67.74
Rent Deposits	**26.50**	53.84
Deposits / Balance with Central Excise / Sales Taxwith Insurance Company	**0.08**	0.08
Adjustments of coins	**-0.02**	-0.02
Miscellaneous Receivable	**367.47**	288.01
Sundry Recoverable	**47.11**	77.50
Preepaid Expenses	**322.72**	270.24
Service Tax	**1.34**	40.03
VAT	**66.71**	49.52
Central Sales Tax	**0.58**	-
Balance with GST	**818.70**	301.08
	2655.66	2701.06

Note 15-A : Equity Share Capital

		As at 31st March, 2020	₹ in lakhs As at 31st March, 2019
Authorised Capital			
1,50,00,000	(Previous Year: 15,000,000) Equity shares of Rs.10/- each	**1,500.00**	1,500.00
50,000	(Previous Year: 50,000) Cumulative Redeemable Preference shares of Rs.100/- each	**50.00**	50.00
	Total	**1,550.00**	1,550.00
Issued, Subscribed and Fully Paid up			
59,99,998	(Previous Year: 5,999,998) Equity shares of Rs. 10/- each, fully paid up	**600.00**	600.00
	Total	**600.00**	600.00

(a) Reconciliation of the shares outstanding at the beginning and at the end of the reporting year

Particulars	31st March, 2020		31st March, 2019	
	Number of shares	**Amount**	Number of shares	Amount
Shares outstandings at the beginning of the year	**59,99,998**	**600.00**	59,99,998	600.00
Outstanding at the end of the year	**59,99,998**	**600.00**	59,99,998	600.00

(b) Terms/ rights attached to equity shares

The Company has only one class of equity shares having par value of Rs.10 per share. Each holder of equity shares is entitled to one vote per share. In the event of liquidation of the Company, the holders of equity shares will be entitled to receive remaining assets of the Company, after distribution of all preferential amounts. The distribution will be in proportion to the number of equity shares held by the shareholders.

(c) Details of shareholders holding more than 5% shares in the Company

	31st March, 2020		31st March, 2019	
Name of the Shareholder	**No. of Shares Held**	**% of Holding**	No. of Shares Held	% of Holding
Dileep Malhotra	**14,75,975**	**24.60**	14,75,975	24.60
Randil Trading Co. Pvt. Ltd	**11,11,990**	**18.53**	11,11,990	18.53
Ranjit Malhotra	**9,68,403**	**16.14**	9,68,403	16.14
Life Insurance Corporation of India	**7,66,084**	**12.77**	7,89,741	13.16

As per records of the Company, including its register of shareholders/ members and other declarations received from shareholders regarding beneficial interest, the above shareholding represents both legal and beneficial ownerships of shares.

Note 15-B : Other Equity

₹ in lakhs

For the year ended 31st March, 2020

Particulars	**Reserves and Surplus**				**Other Comprehensive Income**		**Total**
	Securities Premium Reserve	**Capital Reserve**	**Capital Redemption Reserve**	**General Reserve**	**Equity Instruments through Other Comprehensive Income**	**Other Items of Other Comprehensive Income**	
Balance as at 1st April, 2019	**13.33**	**65.97**		**23,197.26**	**-**	**(138.53)**	**23,138.03**
Impact on account of adoption of Ind AS 116 (Ref Note No. 40)	**-**	**-**	**-**	**(157.19)**	**-**	**-**	**(157.19)**
	13.33	**65.97**	**-**	**23,040.07**	**-**	**(138.53)**	**22,980.84**
Add : Profit/ (Loss) for the period	**-**	**-**	**-**	**3,417.63**	**-**	**(10.67)**	**3,406.96**
Less : Final Dividend (including dividend distribution tax)	**-**	**-**	**-**	**(1,500.00)**	**-**	**-**	**(1,500.00)**
Less : Tax on Final dividend	**-**	**-**	**-**	**(308.33)**	**-**	**-**	**(308.33)**
Less : Intermin Dividend				**(1,500.00)**			**(1,500.00)**
Less : Tax on Intermin dividend	**-**	**-**	**-**	**(308.33)**	**-**	**-**	**(308.33)**
Profit for the period	**-**	**-**	**-**	**-**	**-**	**-**	**-**
Balance as at 31st March, 2020	**13.33**	**65.97**	**-**	**22,841.04**	**-**	**(149.20)**	**22,771.14**

For the year ended 31st March, 2019

Particulars	Reserves and Surplus				Other Comprehensive Income		Total
	Securities Premium Reserve	Capital Reserve	Capital Redemption Reserve	General Reserve	Equity Instruments through Other Comprehensive Income	Other Items of Other Comprehensive Income	
Balance as at 1st April, 2018	13.33	65.97	-	20,619.12	-	(88.89)	20,609.53
Add : Profit/ (Loss) for the period	-	-	-	4,383.50	-	(49.64)	4,333.86
Less : Dividend			-	(1,500.00)	-	-	(1,500.00)
Less : Tax on dividend	-	-	-	(305.36)	-	-	(305.36)
Profit for the period	-	-	-	-	-	-	-
Balance as at 31st March,2018	13.33	65.97	-	23,197.26	-	(138.53)	23,138.03

15. B .1 The General Reserve is used from time to time to transfer profits from retained earnings for appropriation purposes. As the General Reserve is created by a transfer from one component of equity to another and it will not be reclassified subsequently to Statement of Profit and Loss.

15.B. 2 Other Comprehensive Income (OCI) represent the balance in equity relating to remeasurement gains/(losses) on defined benefit obligations. This will not be reclassified to Statement of Profit and Loss.

Note 16 : Borrowings

₹ in lakhs

Particulars	As at 31st March, 2020	As at 31st March, 2019
At Amortised Cost		
Secured Loans		
a) Term Loans		
From Banks	**11159.62**	7647.51
Unsecured Loans		
b) Deposits	**5051.41**	4380.54
c) Loan from Directors	**-**	-
d) Other Loans	**-**	-
	16211.03	12028.05

16.1 The borrowings from banks on Cash Credit account are secured by hypothecation of Stocks and Book Debts and Second charge on the property of Glass Bottle Division and personal guarantees given by Chairman and Vice-Chairman for entire amount.

The term loan from IndusInd Bank is secured by assignment of lease rentals receivables from some of the licencees of theCompany's properties situated at Vikhroli and Lower Parel, Mumbai together with first charge on properties leased to HDFC atEmpire Plaza, Vikhroli and personal guarantees given by Chairman and Vice-Chairman for entire amount.

16.2 Repayment details of Term Loans from a Financial Institution at unamortised cost outstanding as on 31st March, 2020 areas follows :

Financial Year	Effective Interest : 8.20%-11.80% p.a.	₹ in lakhs **Total**
2020-2021	1012.23	1012.23
2021-2022	1375.15	1375.15
2022-2023	1414.44	1414.44
2023-2024	1458.82	1458.82
2024-2025	1504.29	1504.29
2025-2026	1580.86	1580.86
2026-2027	1171.28	1171.28
2027-2028	444.25	444.25
2028-2029	159.25	159.25
2029-2030	172.81	172.81
2030-2031	187.52	187.52
2031-2032	203.12	203.12
2032-2033	220.79	220.79
2033-2034	239.59	239.59
2034-2035	259.99	259.99
2035-2036	281.98	281.98
2036-2037	306.14	306.14
2037-2038	322.14	322.14
Total	12314.64	**12314.64**

Note 17 : Other Non Current Financial Liabilities

₹ in lakhs

Particulars	As at 31st March, 2020	As at 31st March, 2019
At Amortised Cost		
Security Deposits	**6291.30**	5817.89
	6291.30	5817.89

Note 18 : Provisions for Employee Benefits

₹ in lakhs

Particulars	As at 31st March, 2020	As at 31st March, 2019
Provision for Gratuity	**1489.74**	938.07
Provision for Leave Encashment	**1218.93**	854.79
	2708.67	1792.86

18.1 The provision for employee benefits includes gratuity and vested long service leave entitlements accrued and compensation claim payable to employees which are payable as per the terms of the appointment. For other disclosures refer Note.

Note 19 : Other Non Current Liabilities

₹ in lakhs

Particulars	**As at 31st March, 2020**	As at 31st March, 2019
Other Liabilities		
Income Received in Advance	**1658.28**	1857.17
Advance received from Customers	**1.00**	0.63
Deposit for cars from Employees	**11.38**	12.57
Trade Deposits	**315.27**	426.03
Sundry Deposits	**255.37**	238.38
	2241.30	2534.78

Note 20 : Borrowing

₹ in lakhs

Particulars	**As at 31st March, 2020**	As at 31st March, 2019
(a)Secured Loans Repayable on Demand		
(i) Loan from Banks	**5614.10**	5205.43
(ii) Cash Credit	**692.70**	465.75
Un-secured		
(b) Deposits	**4079.66**	3834.67
(c) Loan from Directors	**1560.00**	191.00
(d) Other Loans	**-**	-
	11946.46	9696.85

20.1 The borrowings from banks on Cash Credit account are secured by hypothecation of Stocks and Book Debts and Second charge on the property of Glass Bottle Division and personal guarantees given by Chairman and Vice-Chairman for entire amount.

Note 21 : Trade Payables .

₹ in lakhs

Particulars	**As at 31st March, 2020**	As at 31st March, 2019
Total outstanding dues of creditors other then micro enterprises and small enterprises	**3248.75**	2971.17
	3248.75	2971.17

21.1 There are no Micro Small & Medium Enterprises to whom the Company owes dues, which are outstanding for more than 45 days as at 31st Mach, 2020. This information as required to be disclosed under the Micro, Small & Medium Enterprises Development Act, 2006 has been determined to the extent such parties have been identified on the basis of information available with the Company.

21.2 Trade payables are non-interest bearing and are normally settled on 60 to 90 day terms.

Note 22 : Other Financial Liabilities

₹ in lakhs

Particulars	**As at 31st March, 2020**	As at 31st March, 2019
Interest Accrued	**336.82**	225.86
Unpaid dividends	**101.47**	80.70
Unpaid matured deposits and interest accrued thereon	**91.02**	109.46
Security Deposits	**742.84**	1606.27
Current Maturities of Long Term Debts	**1067.82**	823.65
	2339.97	2845.94

22.1 Investor Education and Protection Fund is credited by the amount of unclaimed dividend / unclaimed matured fixed deposits after seven years from the due date.

Note 23 : Other Current Liabilities

Particulars	As at 31st March, 2020	₹ in lakhs As at 31st March, 2019
Other payables		
Statutory Dues	**489.30**	432.55
Advance from Customers	**776.84**	310.39
Other Payables	**56.66**	38.60
Sundry Creditors for Supply of Goods & Services	**140.95**	90.96
Sundry Creditors for Capital Goods		0.95
Sundry Payable	**5.44**	11.39
Security Deposits	**9.50**	12.00
Liability for Expenses	**793.22**	367.85
Miscellaneous (FD)	**0**	0
Other Payables Employees	**558.51**	445.69
Trade Deposits & Advances	**241.45**	144.11
Income Received in Advance	**5.28**	2.41
Un Earned vRevenue	**5.80**	5.81
	3082.95	1862.71

Note 24 : Provisions

Particulars	As at 31st March 2020	₹ in lakhs As at 31st March 2019
Provision for Employee Benefits	**2580.83**	3109.33
	2580.83	3109.33

24.1 The provision for employee benefits includes gratuity and vested long service leave entitlements accrued and compensation claim payable to employees which are payable as per the terms of the appointment.

Note 25 : Revenue from Operations

Particulars	For the year ended 31st March, 2020	₹ in lakhs For the year ended 31st March, 2019
Sale of Products		
Sale of Products	**37249.25**	33592.32
Sale of Service	**1734.73**	1647.96
Sale of Flats	**2084.70**	2135.58
Other Operating Revenue	**16407.19**	15245.87
Revenue from Operations	**57475.87**	52621.73

25.1 Sale of goods excluding GST collected from customer.

25.2 Particulars of Sale of Products

Particulars	For the year ended 31st March, 2020	₹ in lakhs For the year ended 31st March, 2019
Manufactured Goods		
Glass Bottles	**12452.35**	**13903.03**
Food Products	**22198.38**	**17649.22**
Machine Tools & Industrial Equipments	**2598.52**	**2040.08**
	37249.25	**33592.33**

25.3 Particulars of Other Operating Revenue

₹ in lakhs

Particulars	**For the year ended 31st March, 2020**	For the year ended 31st March, 2019
Business Support Service, Consultancy and Commission	**5482.28**	6261.74
Property Rent	**9691.25**	8042.12
Advertising , Branding and Operating Income	**802.05**	907.62
Business Centre Service	**936.01**	769.31
Property Income	**2285.05**	2240.96
Others	**1029.98**	807.65
	20226.62	19029.40

Note 26 : Other Income

₹ in lakhs

Particulars	**For the year ended 31st March, 2020**	For the year ended 31st March, 2019
From Loans and Advances given (Carried at amortized cost)	**9.27**	2.45
From Others (Carried at Book Value)	**295.93**	323.86
	305.20	326.31
Other Non Operating income		
Surplus on Sale of Fixed Assets	**576.18**	1867.36
Export Incentives	**-**	500.00
Rent received	**28.00**	25.45
Miscellaneous Income	**298.78**	51.71
Credit Balance written back	**-**	1.46
Surplus on Loans/ advances given/repaid (net)	**9.71**	3.15
Gain of Exchange rate dfferemce	**480.28**	157.54
Insurance Claims	**0.60**	7.53
Sale of Duty Credit Script	**156.67**	320.11
	1550.22	2934.31
	1855.42	3260.62

Note 27 : Cost of Materials Consumed

₹ in lakhs

Particulars	**For the year ended 31st March, 2020**	For the year ended 31st March, 2019
Raw Materials Consumed	**14302.83**	12848.39
Stores & Spares, Packing Materials, Refractories, Moulds & Castings Consumed	**3898.30**	1113.73
	18201.13	13962.12
Cost of Project	**1316.40**	2112.06
	19517.53	16074.18

27.1 Particulars of Material Consumed

₹ in lakhs

Particulars	**For the year ended 31st March, 2020**	For the year ended 31st March, 2019
Imported	**627.04**	659.15
Indigenous	**13675.79**	12189.24
	14302.83	12848.39
Chemicals	**1038.88**	1205.37
Silca Sand	**282.76**	301.35
Cullets	**2076.42**	2261.04
Food Product	**10904.77**	9080.63
	14302.83	12848.39

Note 27.2 : Components & Spare Parts Consumed

₹ in lakhs

Particulars	For the year ended 31st March, 2020	For the year ended 31st March, 2019
Imported	**61.11**	57.30
Indigenous	**3837.19**	1056.43
	3898.30	1113.73

Note 28 : CHANGE IN INVENTORIES OF FINISHED GOODS AND STOCK- IN -TRADE

₹ in lakhs

Particulars	For the year ended 31st March, 2020	For the year ended 31st March, 2019
Closing Stock		
Stock at close-Finished Goods	**6795.67**	3720.23
Stock at Commencement- Finished Goods	**3720.23**	725.38
	-3075.44	-2994.85
Stock at Close - Traded Goods	**1857.81**	1026.53
Stock at Commencement -Traded Goods	**1019.47**	1899.04
Increase / (Diecrease) in Traded Goods	**-838.34**	872.51
	(3,913.78)	(2,122.34)

Note 29 : EMPLOYEE BENEFITS EXPENSES

₹ in lakhs

Particulars	For the year ended 31st March, 2020	For the year ended 31st March, 2019
Salaries, Wages, Bonus, Gratuity & Allowances	**8733.31**	7802.96
Contribution to Provident & Superannuation Fund	**1003.65**	696.13
Staff Welfare Expenses	**717.13**	672.72
	10454.09	9171.81

Note 30 : Finance Costs

₹ in lakhs

Particulars	For the year ended 31st March, 2020	For the year ended 31st March, 2019
Interest Expense	**2753.99**	1719.01
Other borrowing Costs	**404.47**	248.82
Interest on Security Deposits	**-**	-
	3158.46	1967.83

Note 31 : Other Expenses

₹ in lakhs

Particulars	For the year ended 31st March, 2020	For the year ended 31st March, 2019
Carriage Outward and Steamer Freight	**1344.52**	1213.27
Local Delivery Charges	**293.52**	227.41
Conducting Charges	**64.98**	67.68
Discount, Commission and Brokerage	**442.30**	315.53
Donation	**0.04**	10.00
Electricity Charges	**231.73**	246.22
Insurance Premium	**153.15**	123.54
Sales Promotion	**255.84**	179.94
Miscellaneous Expenses	**880.25**	1347.67
Operating Expenses	**176.09**	144.48
Bad Debts written off	**145.76**	313.29
Power & Fuel	**2903.12**	3640.55
Professional and Legal Charges	**834.20**	1034.07
Rates and Taxes	**587.66**	517.57
Rent paid	**104.37**	447.03
Repairs to Machinery	**181.25**	191.42
Repairs to Building	**256.54**	224.62
Other Repairs	**452.46**	555.59
Telephone, Trunk calls. Telex and Internet Charges	**100.96**	119.29
Expenditure on Corporate Social Responsibility (CSR) Activities	**92.50**	94.80
Vehicle Expenses	**353.87**	370.37
Storage Expenses	**334.09**	273.05
Travelling Expenses (Foreign)	**149.68**	205.35
Travelling Expenses (Local)	**265.21**	325.25
General Expenses	**331.31**	281.87
Water Charges	**111.18**	103.25
	11046.58	12573.11

NOTE 32 : DEFERRED TAX LIABILITY (NET)

₹ in Lakhs

(a) **Amount recognized in Financial Statements**

Particulars	As at 31st March, 2020	Current Year Change/ (Credit) P/L	As at 31st March, 2019	Current Year Change/ (Credit) P/L
Deferred Tax Liabilities (Net):				
Related to Fixed Assets	**2,811.86**	(149.41)	2,961.27	648.69
Deferred Tax Assets:				
Disallowance under the Income Tax Act, 1961	**1,434.57**	278.45	1,713.02	(174.00)
Net Deferred Tax Liability	**1,377.29**	**129.04**	1,248.25	**474.69**

₹ in Lakhs

(b) **Reconciliation of Tax Expenses/ (Income)**

	For the Year ended 31st March, 2020	For the Year ended 31st March, 2019
Profit/ (Loss) before Tax	**4,023.39**	**6,108.19**
Applicable Tax Rate	**25.63%**	**34.94%**
Expected Income Tax Expenses (i)	**1,030.99**	**2,134.45**
Add/(Less):		
Tax effect of Depreciation allowance	**(256.80)**	**85.91**
Tax effect of Allowed/Disallowed Expenses as per Income Tax Act,1961	**35.13**	**(425.80)**
Tax effect of Special Rate in Long Term Capital Gains	**(127.03)**	**(59.92)**
Excess Provision for Tax for earlier years	**(73.38)**	**-**
Others	**(3.15)**	**(9.95)**
Subtotal (ii)	**(425.23)**	**(409.75)**
Income Tax Expense/(Income) to Statement of Profit & Loss [i+ii]	**605.76**	**1,724.69**

The Company’s weighted average tax rate for the year ended March 31, 2020 is 15.06% and March 31, 2019 is 28.24%.

NOTE 33 : EARNINGS PER SHARE (EPS)

Particulars	For the Year ended 31st March, 2020	For the Year ended 31st March, 2019
1. Face Value per equity share in Rupees	**10.00**	10.00
2. Weighted Average number of equity shares outstanding	**59,99,998**	59,99,998
3. Net (Loss) as per Profit and Loss Account (Continuing Operation) Rupees in Lakhs	**3417.63**	4383.50
4. Weighted Average earning per share from continuing operation. (Basic and Diluted) in Rupees	**56.96**	73.05
5. Net Profit/ (Loss) as per Profit and Loss Account (Discontinued Operation) Rupees in Lakhs	**-**	-
6. Weighted Average earning per share from discontinuing operation (Basic and Diluted) in Rupees	**-**	-
7. Net (Loss) as per Profit and Loss Account (Continuing and Discontinued Operation) Rupees in Lakhs	**3417.63**	4383.50
8. Weighted Average earning per share continuing and discontinuing operation (Basic and Diluted) in Rupees	**56.96**	73.05

₹ in Lakhs

NOTE 34 : CONTINGENT LIABILITIES

Particulars	**As at 31st March, 2020**	As at 31st March, 2019
1. Income Tax matter in respect of which appeal are pending	**243.13**	369.45
2. Sales Tax Demand disputed by the Company	**71.91**	96.61

In the Financial Year 2015-16, the Investigation Branch of the Sales Tax Department had carried out survey action in the Company's premises. The company has paid ₹ 86.81 lakhs for the period from April, 2012 to November, 2015. The Company has contested for the entire amount paid at appropriate forum.

NOTE 35 : CORPORATE SOCIAL RESPONSIBILITY EXPENDITURE

As per Section 135 of the Companies Act, 2013, a company, meeting the applicability threshold, needs to spend at least 2% of its average net profit for the immediately preceding three financial years on corporate social responsibility (CSR) activities. The main focus areas for CSR activities are health care, education, malnutrition and water hygiene and sanitation. A CSR committee has been formed by the company as per the Act to oversee and execute the company's CSR policy.

Gross amount spent by the company during the year is₹ 92.50 lakhs (Previous year ₹ 94.80 lakhs).

NOTE 36 : CAPITAL COMMITMENT

Estimated amount committed on capital account and not provided for is ₹ 24.00 Lakhs as on 31st March, 2020. (Previous Year ₹2041.48 lakhs)

NOTE 37: Revenue from Contracts with Customers (Ind AS 115):

The Company measures the revenues at fair value of the consideration received or receivable after taking in to account the amount of any discount or rebates allowed to the customers. The Company presents revenues net of indirect taxes collected in its statement of profit and loss.

Disaggregate Revenue information

₹ in Lakhs

Revenue	**For the Year ended 31st March, 2020**	For the Year ended 31st March, 2019
Manufacturing	**12,557.89**	14,048.14
Trading, Business Support Service, Consultancy and Commission	**32,941.67**	28,290.51
Property Development	**2,285.05**	2,240.96
Others	**9,691.26**	8,042.12
Total Revenue from Operations	**57,475.87**	52,621.73

₹ in Lakhs

NOTE 38 : PAYMENT TO AUDITORS*

Particulars	**For the Year ended 31st March, 2020**	For the Year ended 31st March, 2019
a) Statutory Audit Fees	**13.50**	11.00
b) Certification and Consultation Fees	**2.38**	3.00
	15.88	14.00

*Exclusive of Goods and Service Tax.

NOTE 39: Details of dues to micro and small enterprises as per MSMED Act, 2006

There are no Micro Small & Medium Enterprises to whom the Company owes dues, which are outstanding for more than 45 days as at 31st Mach, 2020. This information as required to be disclosed under the Micro, Small & Medium Enterprises Development Act, 2006 has been determined to the extent such parties have been identified on the basis of information available with the Company

Note 40: Leases

The Company as a lessee

Transition

Effective April 1, 2019, the Company adopted Ind AS 116, Leases and applied the standard to all lease contracts existing on April 1, 2019 using the modified retrospective method and has taken the cumulative adjustment to retained earnings, on the date of initial application. Consequently, the Company recorded the lease liability at the present value of the lease payments discounted at the incremental borrowing rate and the ROU asset at its carrying amount as if the standard had been applied since the commencement date of the lease, but discounted at the Company's incremental borrowing rate at the date of initial application. Comparatives as at and for the year ended March 31, 2019 have not been retrospectively adjusted and therefore will continue to be reported under the accounting policies included as part of our Annual Report for year ended March 31, 2019.

On transition, the adoption of the new standard resulted in recognition of 'Right of Use' asset of Rs. 1818.54 lakhs, and a lease liability of Rs. 2007.95 lakhs. The cumulative effect of applying the standard, amounting to Rs. 157.19 lakhs were debited to retained earnings, net of taxes. The effect of this adoption is insignificant on the profit before tax, profit for the period and earnings per share. Ind AS 116 has resulted in an increase in cash inflows from operating activities and an increase in cash outflows from financing activities on account of lease payments.

The following is the summary of practical expedients elected on initial application:

1. Applied a single discount rate to a portfolio of leases of similar assets in similar economic environment with a similar end date.

2. Applied the exemption not to recognize ROU assets and liabilities for leases with less than 12 months of lease term on the date of initial application.

3. Excluded the initial direct costs from the measurement of the ROU asset at the date of initial application.

4. Applied the practical expedient to grandfather the assessment of which transactions are leases. Accordingly, Ind AS 116 is applied only to contracts that were previously identified as leases under Ind AS 17.

The changes in the carrying value of ROU assets for the year ended March 31, 2020 are as follows:

Particulars	Total (Rs.in lakhs)
Balance as at April 1, 2019	1,818.54
Additions	1,101.20
Deletion	-
Depreciation	310.48
Balance as at March 31, 2020	2,609.25

The aggregate depreciation expense on ROU assets is included under depreciation and amortization expense in the Statement of Profit and Loss.

The break-up of current and non-current lease liabilities as at March 31, 2020 is as follows:

Particulars	As at March 31, 2020 (Rs. in lakhs)
Current lease liabilities	186.96
Non-current lease liabilities	2,727.86
Total	**2,914.82**

The movement in lease liabilities during the year ended March 31, 2020 is as follows:

Particulars	Year ended March 31, 2020 (Rs. in lakhs)
Balance at the beginning	2,007.95
Additions	1,078.14
Finance cost accrued during the period	178.14
Deletions	-
Payment of lease liabilities	349.41
Balance at the end	**2,914.82**

The details of the contractual maturities of lease liabilities as at March 31, 2020 on an undiscounted basis are as follows:

Particulars	As at March 31, 2020 (Rs. in lakhs)
Less than one year	496.85
One to five years	1,914.55
More than five years	1,695.74
Total	**4,107.14**

The Company does not face a significant liquidity risk with regard to its lease liabilities as the current assets are sufficient to meet the obligations related to lease liabilities as and when they fall due.

Rental expense recorded for short-term leases was Rs. 104.37 lakhs for the year ended March 31, 2020.

The Company as a lessor

Leases for which the Company is a lessor is classified as a finance or operating lease. Whenever the terms of the lease transfer substantially all the risks and rewards of ownership to the lessee, the contract is classified as a finance lease. All other leases are classified as operating leases.

When the Company is an intermediate lessor, it accounts for its interests in the head lease and the sublease separately. The sublease is classified as a finance or operating lease by reference to the ROU asset arising from the head lease.

For operating leases, rental income is recognized on a straight-line basis over the term of the relevant lease.

The Company has given premises on operating leases which include both cancellable and non-cancellable leases. Most of the leases are renewable for further period on mutually agreeable terms and also include escalation clauses.

Rental income on assets given on operating lease was Rs. 9,611.43 lakhs for the year ended March 31, 2020.

The total future minimum lease rentals receivable at the Balance Sheet date is as under:

Particulars	As at March 31, 2020 (Rs. in lakhs)
Within than one year	8,593.68
After One but not more than five years	13,761.44
More than five years	5,701.05
Total	**28,056.18**

EMPIRE INDUSTRIES LIMITED

Notes forming part of the financial statements

NOTE 41: Post Retirement Benefit Plans

Defined Benefits Plan - Gratuity

		31st March, 2020	₹ in Lakhs 31st March, 2019
I	Changes in present value of obligation		
	POV at beginning of period	**2,967.64**	2,799.67
	Interest cost	**156.01**	196.59
	Current service cost	**223.92**	202.27
	Past service cost- (non vested benefits)	**-**	-
	Past service cost- (vested benefits)	**-**	-
	Benefits Paid	**(218.05)**	(286.17)
	Contribution by plan participants	**-**	-
	Business combinations	**-**	-
	Curtailments	**-**	-
	Settlements	**-**	-
	Acturial (Gain)/ Loss on obligation	**0.42**	55.29
	PVO at end of period	**3,129.94**	2,967.64
II	Interest Expenses		
	Interest Cost	**156.01**	196.59
III	Fair Value of Plan Asset		
	Fair value of Plan Assets at the beginning	-	-
	Interest income	-	-
IV	Net Liability		
	POV at beginning of period	**2,967.63**	2,799.67
	Fair value of the assets at beginning report	-	-
	Net Liability	**2,967.63**	2,799.67
V	Net Interest		
	Interest Expenses	**156.01**	196.59
	Interest Income	-	-
	Net Interest	**156.01**	196.59
VI	Actual return on plan assets		
	Less interest income included above	-	-
	Return on plan assets excluding interest income	-	-
VII	Acturial (Gain)/loss on obligation		
	Due to demographic assumptions*	-	-
	Due to financial Assumptions	**137.44**	4.62
	Due to Experience	**- 137.01**	50.67
	Total Acturial (Gain)/loss	**0.42**	55.29

* This figure does not reflect interrelationship between demographic assumptions and

		31st March, 2020	₹ in Lakhs 31st March, 2019
VIII	Fair value of Plan Assets		
	Opening Fair value of Plan Asset	-	-
	Adjustment to Opening Fair value of Plan asset	-	-
	Return on Plan Assets excl. interest income	-	-
	Interest Income	-	-
	Contributions by Employer	**218.05**	286.17
	Contributions by Employee	-	-
	Benefit Paid	**(218.05)**	(286.17)
	Fair value of Plan Asset at end	-	-
IX	Past Service Cost Recognised		
	Past service cost- (non vested benefits)	-	-
	Past service cost- (vested benefits)	-	-
	Average remaining future service till vesting of the benefit	-	-
	Recognised past service cost- non vested benefit	-	-
	Recognised past service cost- vested benefit	-	-
	Unrecognised past service cost- non vested benefit	-	-
X	Amount to be recognized in the balance sheet and Statement of profit & loss account		
	PVO at end of period	**3,129.94**	2,967.64
	Fair value of Plan Assets at end of period	-	-
	Funded Status	**(3,129.94)**	(2,967.64)
	Net Asset/(Liability) recognized in the balance sheet	**(3,129.94)**	(2,967.64)
XI	Expenses recognized in the statement of P & L A/C		
	Current service cost	**223.92**	202.27
	Net interest	**156.01**	196.59
	Past service cost- (non vested benefits)	-	-
	Past service cost- (vested benefits)	-	-
	Curtailment Effect	-	-
	Settlement Effect	-	-
	Unrecognised past service cost- non vested benefit	-	-
	Expense recognized in the statement of P & L A/C	**379.93**	398.86
XII	Other Comprehensive Income (OCI)		
	Acturial (Gain)/loss recognized for the period	**0.42**	55.29
	Asset limit effect	-	-
	Return on Plan Assets excluding net interest	-	-
	Unrecognized Acturial (Gain)/loss from previous period	-	-
	Total Acturial (Gain)/loss recognized in (OCI)	**0.42**	55.29
XIII	Movements in the Liability recognized in Balance Sheet		
	Opening net Liability	**2,967.64**	2,799.67
	Adjustment to opening balance	-	-
	Expenses as above	**379.93**	398.86
	Contribution paid	**(218.05)**	(286.17)
	Other Comprehensive Income (OCI)	**0.42**	55.29
	Closing Net Liability	**3,129.94**	2,967.64

		31st March, 2020	31st March, 2019
			₹ in Lakhs
XIV	Schedule III of the Companies Act 2013		
	Current Liability	**1,640.21**	1,690.08
	Non- Current Liability	**1,489.74**	1,277.56
XV	Projected Service Cost 31 Mar 2021	**245.61**	223.92

		Target Allocation	
XVI	Asset information	Total Amount	%
	Cash and Cash Equivalents	-	-
	Gratuity Fund	-	-
	Debt Security- Government Bond	-	-
	Equity Securities- Corporate debt Securities	-	-
	Other Insurance Contract	-	-
	Property	-	-
	Total Itemized Assets	-	-

XVII	Assumption as at	31st March, 2020	31st March, 2019
	Mortality	**IALM(2006-08)Ult.**	IALM(2006-08)Ult
	Interest / Discount rate	**6.14%**	7.35%
	Rate of increase in compensation	**7.00%**	7.00%
	Annual increase n healthcare cost	**-**	-
	Future changes in maximum state healthcare benefits	**-**	-
	Expected average remaining service	**9.65**	9.61
	Employee Attrition rate (past service (PS))	**PS: 0 to 42: 4%**	PS: 0 to 42: 4%

XVIII Sensitivity Analysis

	DR: Discount rate		ER:Salary Escalation rate	
	PVO DR + 1%	PVO DR – 1%	PVO DR + 1%	PVO DR – 1%
PVO	3,014.84	3,261.57	3,256.44	3,017.12

XIX Expected Payout

Year	Expected outgo first	Expected outgo second	Expected outgo third	Expected outgo fourth	Expected outgo fifth	Expected outgo six to ten years
Payouts	1,640.21	95.26	155.91	156.55	200.99	687.88

XX Asset Liability Comparisons

Year	31.03.2016	31.03.2017	31.03.2018	31.03.2019	**31.03.2020**
PVO at end of period	2,297.08	2,569.76	2,799.67	2,967.64	**3,129.94**
Plan Assets	-	-		-	**-**
Surplus/ (Deficit)	(2,297.08)	(2,569.76)	(2,799.67)	(2,967.64)	**(3,129.94)**
Experience adjustment on plan	-	-		-	**-**

Weighted average remaining duration of Defined Benefit Obligation 12.87

XXI Narrations

1 Analysis of Defined Benefit Obligations
The number of members under the scheme have increased by 2.69%
The total salary has increased by 2.43% during the accounting period.
The resultant liability at the end of the period over the beginning of the period has increased by 5.47%.

2 Expected rate of return basis
Scheme is not funded EORA is not applicable

3 Description of plan Assets and Reimbursement conditions: Not Applicable

4 Investment Risk
Since the scheme is unfunded the company is not exposed to investment risk.

5 Longevity Risk
The company is not exposed to risk of the employees living longer as the benefit under the scheme ceases on the employee separating from the employer for any Reason.

6 Risk of salary increase
The company is exposed to higher liability if the future salaries rise more than assumption of salary escalation

7 Discount Rate
The discount rate has decreased from 7.35% to 6.14% and hence there is an increase in liability leading to actuarial loss due to change in discount rate.

NOTE 42: Related Party Disclosures (As identified by the Management).

a) **Related Party Relationship.**

i) **Key Managerial Personnel (KMP)**

- Mr. Satish Chandra Malhotra - Chairman and Managing Director
- Mr. Ranjit Malhotra - Vice Chairman & Managing Director
- Mr. Dileep Malhotra - Jt. Managing Director
- Mr. Suhas C. Nanda - Director Finance & Company Secretary

ii) **Relatives of KMP**

- Mr. Kabir Malhotra
- Mrs. Uma Malhotra
- Ms. Anjali Malhotra

iii) **Entities Controlled by KMP**

- Empire International Pvt. Ltd. (Amalgamated with Randil Trading Company Pvt Ltd)
- Randil Trading Company Pvt. Ltd.
- Arjun Transport Company Pvt. Ltd. (Amalgamated with Randil Trading Company Pvt Ltd)
- Empire Technical Services Pvt. Ltd.
- Elfab Co. L L C

b) **Related Party Transactions**

i. **Aggregate amount of Transactions with related party**

₹ in Lakhs

Nature of Transaction	**Name of the Related Party**	**For the year ended 31st March, 2020**	For the year ended 31st March, 2019
Rent Received	Empire International Pvt. Ltd.	**-**	0.33
Rent Received	Randil Trading Co. Pvt. Ltd.	**2.57**	1.40
Rent Received	Arjun Transport Co. Pvt. Ltd.	**-**	0.83
Rent Received	Empire Technical Services Pvt. Ltd.	**13.01**	13.01
Sale of Products	Elfab Co. L. L. C.	**-**	34.17

ii. **Aggregate amount of Transactions with Key Managerial Personnel and their relatives**

₹ in lakhs

Nature of Transactions	**For the year ended 31st March, 2020**	For the year ended 31st March, 2019
Remuneration to Key Managerial Personnel:		
Mr. S. C. Malhotra	**95.02**	87.26
Mr. Ranjit Malhotra	**111.30**	102.99
Mr. Dileep Malhotra	**87.56**	83.94
Mr. S. C. Nanda	**86.90**	74.00
Salary to relatives of Key Managerial Personnel:		
Mr. Kabir Malhotra	**54.00**	54.00
Ms. Anjali Malhotra	**30.00**	30.00
Interest paid on Fixed Deposits:		
Mr. S. C. Malhotra	**20.77**	-
Mr. Ranjit Malhotra	**9.86**	27.05
Mr. Dileep Malhotra	**16.03**	1.14
Mrs. Uma Malhotra	**8.24**	9.16
Fixed Deposits & Interest outstanding:		
Mr. S. C. Malhotra	**370.77**	-
Mr. Ranjit Malhotra	**392.09**	50.10
Mr. Dileep Malhotra	**731.04**	-
Mrs. Uma Malhotra	**100.32**	141.00

NOTE 43: Financial Risk Management Objectives and Policies

The Company's financial risk management is an integral part of how to plan and execute its business strategies. The Company's financial risk management policy is set by the Management Board.

Market Risk is the risk of loss of future earning, fair values or future cash flow that may result from a change in the price of a financial instrument. The value of a financial instrument may change as a result of changes in the interest rates, foreign currency exchange rates, equity prices and other market changes that affect market risk sensitive instruments. Market Risk is attributable to all market risk sensitive financial instruments including investment and deposits , foreign currency receivables, payables and loans and borrowings.

The Company manages market risk through its finance department, which evaluate and exercises independent control over the entire process of market risk management. The activities of this department include management of cash resources, implementing hedging strategies for foreign currency exposures, borrowing strategies, and ensuring compliance with market risk limits and policies.

Interest Rate Risk

Interest rate risk is the risk that fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates.

Exposure to interest rate risk

₹ in lakhs

Particular	As at 31st March, 2020	As at 31st March, 2019
Floating Rate Borrowings	**18534.24**	14142.34

Interest rate sensitivity

A change of 1% in interest rates would have following impact on profit before tax

₹ in lakhs

Particular	As at 31st March, 2020	As at 31st March, 2019
1% increase in interest rate – Decrease in Profit	**(185.34)**	(141.42)
1% decrease in interest rate – increase in Profit	**185.34**	141.42

Foreign Currency Risk

The Company is not exposed to significant foreign currency risk as at the respective reporting dates.

Liquidity Risk

Liquidity Risk is defined as the risk that the Company will not be able to settle or meet its obligations on time or at a reasonable price. The Company's finance department is responsible for liquidity, funding as well as settlement management. In addition, processes and policies related to such risks are overseen by senior management. Management monitors the Company's net liquidity through rolling forecasts on the basis of expected cash flows.

Repayment of Borrowings as per below

₹ in lakhs

Particular	As at 31st March, 2020	As at 31st March, 2019
Within the next 12 months	**7,374.63**	6,943.56
Between 2 to 5 years	**5,752.68**	2,766.89
5 years and above	**5,406.93**	4,431.89

Credit Risk

Credit risk arises from the possibility that counter party may not be able to settle their obligation as agreed. To manage this, the Company periodically assesses the financial reliability of customers, taking in to account the financial condition, current economic trends, and analysis of historical bad debts and ageing of accounts receivable. Individual risk limit are set accordingly.

The company considers the possibility of default upon initial recognition of asset and whether there has been a significant increse in credit risk on an ongoing basis throughout each reporting period. To assess whether there is a significant increse in credit risk the company compares the risk of a default occuring on the asset as at the reporting date with the risk of default as at the date of initial recognition.

Raw Material and Fuel Price Risk

The company is impacted by the price volatility of certain commodities like raw materials, packing materials and fuel. The Company is impacted by the price volatility of Fuels like Gas, Furnace Oil, etc.

To minimize the risk related to fuel price change, the Company uses alternate fuel based on their market prices. The Company swaps and uses alternate fuels based on the cost of energy efficiency and, hence, quantification of sensitivity is not practical. To mitigate the volatility in market price of major raw materials, the company has entered into fixed price contract.

NOTE 44: Capital Risk Management

The Company aims to manage its capital efficiently so as to safeguard its ability to continue as a going concern and to optimize returns to our shareholders.

The capital structure of the Company is based on management's judgement of the appropriate balance of key elements in order to meet its strategic and day-to-day needs. We consider the amount of capital in proportion to risk and manage the capital structure in light of changes in economic conditions and the risk characteristics of the underlying assets. The Company may take appropriate steps in order to maintain, or if necessary adjust, its capital structure.

NOTE 45: Fair Value Measurement

Financial Instrument by category and hierarchy

The fair values of the financial assets and liabilities are included at the amount at which the instrument could be exchanged in a current transaction between willing parties, other than in a forced or liquidation sale.

The fair value of an asset or a liability is measured using the assumptions that market participants would use when pricing the asset or liability, assuming that market participants act in their economic best interest.

The Company uses valuation techniques that are appropriate in the circumstances and for which sufficient data are available to measure fair value, maximizing the use of relevant observable inputs and minimizing the use of unobservable inputs.

The following methods and assumptions were used to estimate the fair values:

1. Fair value of cash and short-term deposits, trade and other short term receivables, trade payables, other current liabilities, short term loans from banks and other financial institutions approximate their carrying amounts largely due to short term maturities of these instruments.

2. Financial instruments with fixed and variable interest rates are evaluated by the Company based on parameters such as interest rates and individual credit worthiness of the counterparty. Based on this evaluation, allowances are taken to account for expected losses of these receivables. Accordingly, fair value of such instruments is not materially different from their carrying amounts.

The fair values for Non-Current borrowings, loans and security deposits were calculated based on cash flows discounted using a current lending rate. They are classified as level 3 fair values in the fair value hierarchy due to the inclusion of unobservable inputs including counter party credit risk.

The Company uses the following hierarchy for determining and disclosing the fair value of financial instruments by valuation technique:

Level 1: quoted (unadjusted) prices in active markets for identical assets or liabilities.

Level 2: other techniques for which all inputs which have a significant effect on the recorded fair value are observable, either directly or indirectly.

Level 3: techniques which use inputs that have a significant effect on the recorded fair value that are not based on observable market data.

₹ in lakhs

Particular	Carrying Amount as at 31st March, 2020	Fair value Level 1	Level 2	Level 3
Financial Assets at Amortised cost				
Trade receivables	**11,598.07**	-	-	**11,598.07**
Cash and cash equivalents	**2,613.91**	-	-	**-**
Other bank balances	**570.88**	-	-	**-**
Loans and Advances (Current)	**394.36**	-	-	**394.36**
Investments	**0.01**	**-**	**-**	**0.01**
Total	**15,177.23**	**-**	**-**	**11,992.44**
Financial Liabilities at Amortised cost				
Long Term Borrowings	**16,211.03**	-	-	**16,211.03**
Short Term Borrowings	**11,946.46**	-	-	**11,946.46**
Trade payables	**3,306.54**	-	-	**3,306.54**
Lease Liability	**2,914.82**	-	-	**2,914.82**
Other financial liabilities	**8,631.27**	**-**	**-**	**8,631.27**
Total	**43,010.12**	**-**	**-**	**43,010.12**

₹ in lakhs

Particular	Carrying Amount as at 31st March, 2019	Fair value Level 1	Level 2	Level 3
Financial Assets at Amortised cost				
Trade receivables	**11,962.74**	-	-	**11,962.74**
Cash and cash equivalents	**3,694.42**	-	-	**-**
Other bank balances	**488.95**	-	-	**-**
Loans and Advances (Current)	**337.78**	-	-	**337.78**
Investments	**0.01**	**-**	**-**	**0.01**
Total	**16,483.90**	**-**	**-**	**12,300.53**
Financial Liabilities at Amortised cost				
Long Term Borrowings	**12,028.05**	-	-	**12,028.05**
Short Term Borrowings	**9,696.85**	-	-	**9,696.85**
Trade payables	**3,019.40**	-	-	**3,019.40**
Other financial liabilities	**8,663.83**	**-**	**-**	**8,663.83**
Total	**33,408.13**	**-**	**-**	**33,408.13**

During the reporting period ending 31st March 2020 and 31st March 2019, there were no transfer between Level 1 and Level 2 fair value measurement.

NOTE 46: Operating Segments:

DISCLOSURES AS REQUIRED BY INDIAN ACCOUNTING STANDARD (Ind AS) 108 OPERATING SEGMENTS

Identifications of Segments :

The chief operational decision maker monitors the operating results of its Business segment separately for the purpose of making decision about resource allocation and performance assessment. Segment performance is evaluated based on profit or loss and is measured consistently with profit or loss in the standalone financial statements, Operating segment have been identified on the basis of nature of products and other quantitative criteria specified in the Ind AS 108.

Segment revenue and results:

The expenses and income which are not directly attributable to any business segment are shown as unallocable expenditure & income.

Segment assets and Liabilities:

Segment assets include all operating assets used by the operating segment and mainly consist of property, plant and equipments, trade receivables, Inventory and other operating assets. Segment liabilities primarily includes trade payable and other liabilities. Common assets and liabilities which can not be allocated to any of the business segment are shown as unallocable assets / liabilities.

	2019-2020 (₹ In Lakhs)			2018-2019 (₹ In Lakhs)		
	External	**Inter - Segment**	**Total**	External	Inter - Segment	Total
REVENUE						
Manufacturing	**12,557.89**	-	**12,547.89**	14,048.00	-	14,048.00
Trading, Business Support Service, Consultancy and Commission	**32,941.67**	-	**32,941.67**	28,291.00	-	28,291.00
Property Development	**2,285.05**	-	**2,285.05**	2,241.00	-	2,241.00
Others	**9,691.26**	-	**9,691.26**	8,042.00	-	8,042.00
Total Revenue	**57,475.87**	-	**57,475.87**	52,622.00	-	52,622.00
Less : Inter segment revenue	-	-	-	-	-	-
Revenue from operations	**57,475.87**	-	**57,475.87**	52,622.00	-	52,622.00
RESULT						
Segment Result		-			-	
Manufacturing	**32.14**	-	**32.14**	663.00	-	663.00
Trading, Business Support Service, Consultancy and Commission	**-2209.93**	- **-**	**2,209.93**	-781.00	-	-781.00
Property Development	**114.10**	-	**114.10**	-489.00	-	-489.00
Others	**7,390.12**	-	**7,390.12**	5,423.00	-	5,423.00
Total Result	**5,326.43**	-	**5,326.14**	4,816.00	-	4,816.00
Unallocable items :						
Less : Finance Cost	**3,158.46**	-	**3,158.46**	1,968.00	-	1,968.00
Add : Other Income	**1,855.42**	-	**1,855.42**	3,260.00	-	3,260.00
Profit before Tax	**4,023.39**	-	**4,023.39**	6,108.00	-	6,108.00

	2019-2020 (₹ In Lakhs)			2018-2019 (₹ In Lakhs)		
	External	**Inter - Segment**	**Total**	External	Inter - Segment	Total
Un-allocated Expenditure						
Net of un-allocated Income	**1,855.42**	-	**1,855.42**	3,260.00	-	3,260.00
Finance Cost	**3,158.46**	-	**3,158.46**	1,968.00	-	1,968.00
Interest Income	**305.20**	-	**305.20**	326.31	-	326.31
Profit before Taxation	**4,023.39**	-	**4,023.39**	6,108.00	-	6,108.00
Provision for Taxation	**605.76**	-	**605.76**	1,724.69	-	1,724.69
Net Profit	**3,417.63**	-	**3,417.63**	4,383.31	-	4,383.31
Other comprehensive income	**(10.67)**	-	**(10.67)**	-49.45	-	-49.45
	3,406.96		**3406.96**	4,333.86	-	4,333.86

₹ in lakhs

Other information	**Segment Assets**		**Segment Liabilities**	
	2019-2020	2018-2019	**2019-2020**	2018-2019
Manufacturing	**14,657.53**	11,469.04	**8,103.45**	3,066.19
Trading, Business Support Service, Consultancy and	**24,424.17**	16,550.40	**13,274.95**	8,202.04
Property Development	**11,558.68**	11,395.81	**1,151.44**	2,181.67
Others	**27,731.92**	28,278.83	**32,474.32**	30,506.15
	78,372.30	67,694.08	**55,001.16**	43,956.05

Non Cash Expenses other than depreciation

Geographical Segment

₹ in lakhs

	Capital Expenditure		**Depreciation**	
	2019-2020	2018-2019	**2019-2020**	2018-2019
Manufacturing	**3,941.46**	53.24	**407.88**	134.90
Trading, Business Support Service, Consultancy and Commission	**1,284.50**	383.25	**660.79**	411.54
Capital Work-in-Progress	**869.60**	4,591.41	**-**	-
Others	**203.70**	503.71	**429.77**	520.97
	6,299.26	5,531.61	**1,498.44**	1,067.41

Particulars	For the year ended 31st March, 2020	For the year ended 31st March, 2019
Revenue by geographical market		
India	**40,216.62**	37,743.95
Outside India	**17,259.24**	14,877.77
	57,475.86	52,621.72
Segment Assets		
India	**78,372.30**	67,694.08
Outside India	-	-
Capital Expenditure		
India	**6,299.26**	5,531.61
Outside India	-	-

a) The management has identified following main business segments:
Manufacturing - comprising of manufacturing glass bottles, Trading, Business Support Service, Consultancy, Commission and Property development.

b) Segment Revenue in each of the above domestic business segments primarily include Sales & service, commission income in respect segments.
Segment Revenue comprises of:

- Sales, Commission, Property Development, Property Rent and other Operating Income
- Other income excluding income from investments

c) The Segment revenue in the geographical segments considered for the disclosure are as follows:

- Domestic - comprising of sales to customers located within India and earnings in India.
- International - comprising of sales to customers located outside India and Business support services, consultancy and commission.

d) Segment Revenue, Results, Assets and Liabilities include the respective amounts identifiable to each of the segments and amounts

Note 47: The Company has assessed the possible effects that may result from the pandemic relating to COVID-19 on the carrying amounts of Receivables, Inventories, Investments and other assets / liabilities. In developing the assumptions relating to the possible future uncertainties in the global economic conditions because of this pandemic, the Company, as at the date of approval of these standalone financial statements has used internal and external sources of information. As on current date, the Company has concluded that the impact of COVID – 19 is not material based on these estimates. Due to the nature of the pandemic, the Company will continue to monitor developments to identify significant uncertainties in future periods, if any.

Note 48: Exceptional item of Rs. 628.44 Lakhs for the year represents amount paid for Indirect taxes under the Sabka Vishwas (Legacy Dispute Resolution) Scheme, 2019 on account of application made by the Company to end the pending litigations of Indirect taxes.

Summary of Significant Accounting Policies
Notes to Financial Statements
The notes are an integral part of the Financial Statements.

As per our report of even date

For A. T. JAIN & CO.
Firm Registration No : 103886W
Chartered Accountants

Sushil Jain
Partner
Membership No: 033809

Place: Mumbai
Date : 29 JUN 2020

For and on behalf of the Board of Directors of
EMPIRE INDUSTRIES LIMITED

S. C. MALHOTRA (DIN:00026704)

RANJIT MALHOTRA (DIN: 00026933)

DILEEP MALHOTRA (DIN:00027168)

UMA R. MALHOTRA (DIN: 06848613)

RAJBIR SINGH (DIN:00826402)

C.P.SHAH (DIN: 00450394)

SUBODH CHANDRA (DIN: 02076844)

GEETANJALI NAIDU (DIN: 08713727)

S. C. NANDA